



BUDGET DOCUMENT

FISCAL YEAR 2015-2016



Lane Community College
2015-2016 Budget Committee

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Lane Community College
Oregon**

For the Fiscal Year Beginning

July 1, 2014

A handwritten signature in black ink, reading 'Jeffrey R. Egan', is positioned above the title 'Executive Director'.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Lane Community College, Oregon for its annual budget for the fiscal year beginning July 1, 2014. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.

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Vision, Mission & Core Themes

Vision

Transforming lives through learning

Mission

Lane is the community's college; we provide comprehensive, accessible, quality, learning-centered educational opportunities that promote student success.

Core Themes

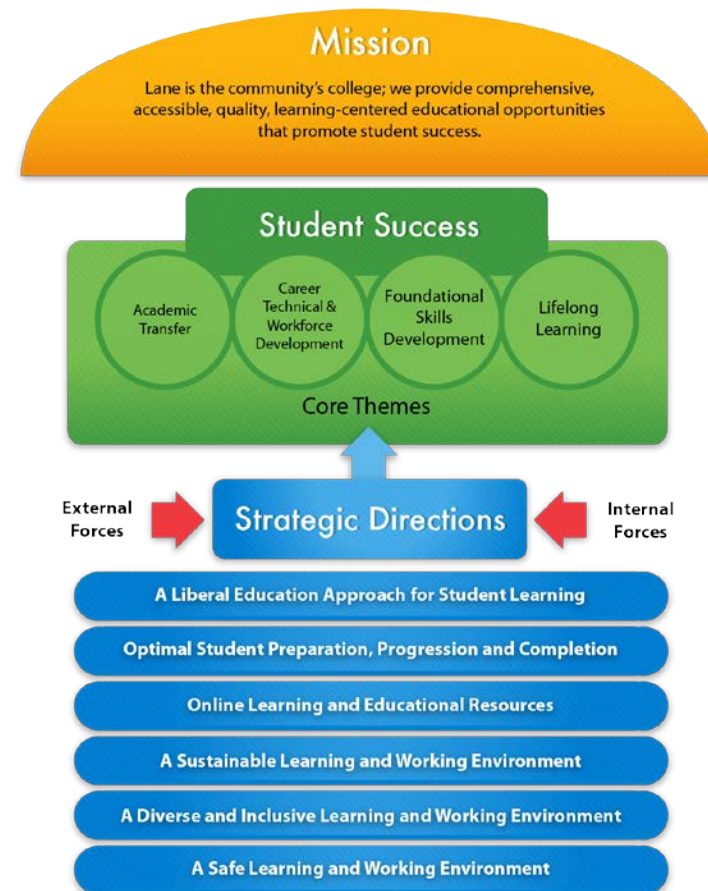
Lane's core themes encompass our mission as a comprehensive community college. They represent the diversity of Lane's educational roles in the community.

Academic Transfer engages students desiring a solid foundation for their upper division work leading to a baccalaureate degree at another institution of higher education.

Career Technical and Workforce Development refers to Lane's service to the community in providing direct pathways to employment.

Foundational Skills Development describes Lane's role in providing students with the necessary skills and abilities to be successful in collegiate level education.

Lifelong Learning is Lane's function as a community hub for a variety of educational opportunities not requiring credit toward a degree.



Strategic Directions

Lane Transforms Students' Lives Through Learning

We acknowledge that students occupy many roles, including those of family members, workers, members of social groups, and citizens of an increasingly interconnected world. We provide educational experiences, support services and institutional structures that enhance student learning and success. In our work in and outside of the classroom and in our daily interactions with students and one another, we aim to empower all students; we encourage students to grow, to take risks, and to assume responsibility for succeeding in all aspects of their lives

A Liberal Education Approach for Student Learning

Equip students to become global citizens with the broad knowledge and transferable skills characterizing a liberal education approach

Expand application of the liberal education approach throughout the college's programs and services

Optimal Student Preparation, Progression and Completion

Promote students' progression to goal completion by knowing our students and creating needed systems, processes and learning environments

Support academically underprepared students' progression to college-level coursework by providing them with foundational skills, classes and support

Online Learning and Educational Resources

Build capacity in faculty and staff to create high-quality, sustainable and innovative online learning and educational resources

Provide the required tools, infrastructure and professional development to use emerging technologies for expanding online learning and educational resources

Explore the effectiveness of online learning and educational resources

A Sustainable Learning and Working Environment

Build understanding of sustainable ecological, social and economic systems and practices among the college communities

Apply principles of sustainable economics, resource use, and social institutions to Lane's learning and working environments

A Diverse and Inclusive Learning and Working Environment

Create a diverse and inclusive learning college

Develop institutional capacity to respond effectively and respectfully to students, staff and community members of all cultures, languages, classes, races, genders, ethnic backgrounds, religious beliefs, sexual orientations and abilities

A Safe Learning and Working Environment

Maintain a safe learning and working environment

Improve practices and resources that secure property

Promote activities, practices and processes that encourage civil discourse and protect college communities from discrimination, harassment, threats and harm

Core Values

Learning

Working together to create a learning-centered environment
Recognizing and respecting the unique needs and potential of each learner
Fostering a culture of achievement in a caring community

Diversity

Welcoming, valuing and promoting diversity among staff, students and our community
Cultivating a respectful, inclusive and accessible working and learning environment
Working effectively in different cultural contexts to serve the educational and linguistic needs of a diverse community
Developing capacity to understand issues of difference, power and privilege

Innovation

Supporting creativity, experimentation and institutional transformation
Responding to environmental, technological and demographic changes
Anticipating and responding to internal and external challenges in a timely manner
Acting courageously, deliberately and systematically in relation to change

Collaboration and Partnership

Promoting meaningful participation in governance
Encouraging and expanding partnerships with organizations and groups in our community

Integrity

Fostering an environment of respect, fairness, honesty and openness
Promoting responsible stewardship of resources and public trust

Accessibility

Strategically growing learning opportunities

Minimizing financial, geographical, environmental, social, linguistic and cultural barriers to learning

Sustainability

Integrating practices that support and improve the health of systems that sustain life

Providing an interdisciplinary learning environment that builds understanding of sustainable ecological, social and economic systems, concern for environmental justice and the competence to act on such knowledge

Equipping and encouraging all students and staff to participate actively in building a socially diverse, just and sustainable society, while cultivating connections to local, regional and global communities

College Policy Statement on Affirmative Action and Equal Employment

It is the policy of Lane Community College to provide equal employment opportunity to all qualified persons and to prohibit discrimination in employment on the basis of race, color, national origin, sex, marital status, family relationship, sexual orientation, age, pregnancy, mental or physical disability, religion, veteran status, expunged juvenile record, parental or family medical leave, application for Workers Compensation, whistle blowing, association with a member of a protected class and all other federal, state and local protected classes.

It is also the policy of the college to take affirmative action to recruit and to employ members of protected groups. Under Federal Executive Order 11246 as amended, protected minority groups are defined as African Americans, Asian Americans, Hispanic Americans and Native Americans. All women are designated a protected group. The protected groups are those groups of persons who have historically been most disadvantaged by discriminatory practices, including practices formerly sanctioned by law.

The affirmative action and equal opportunity clause of this policy requires that applicants be hired and employees be treated during employment without regard to race, color, national origin, sex, marital status, family relationship, sexual orientation, age, pregnancy, mental or physical disability, religion, veteran status, expunged juvenile record, parental or family medical leave, application for Workers Compensation, whistle blowing, association with a member of a protected class and all other federal, state and local protected classes.

The affirmative action and equal opportunity clause applies to all employment actions including but not limited to recruitment, appointment, reappointment, promotion, transfer, demotion, termination, compensation, benefits, layoff and training. Furthermore, the policy applies to all executive, academic, administrative employees and to full-time, part-time, temporary, probationary and permanent employees as well as those with appointments in self support programs. This policy conforms to federal and state laws and to the equal employment and affirmative action policy of the Board of Education of Lane Community College.



GENERAL INFORMATION

About Lane Community College

Institutional Overview

Lane has continued the tradition of vocational education begun in 1938 by our precursor, the Eugene Vocational School, while expanding our services and programs to meet the community's needs. Lane students today can select from a wide variety of lower division transfer courses, as well as applied degrees and certificates in over forty-five technical programs or they may improve foundational study skills, reading, writing and math. Lane's non-credit offerings include Adult Basic and Secondary Education, English as a Second Language and classes designed for lifelong learning such as creative arts, health and wellness and career training in business and health occupations.

Lane Community College's service district represents approximately 300,000 residents, slightly less than 10% of Oregon's population. The district encompasses approximately 5,000 square-miles: most of Lane County from the Pacific Ocean to the Cascade Mountains as well as individual school districts in Benton, Linn and Douglas counties. Lane's 314-acre campus is located in southeast Eugene and the college offers classes and services at a number of other locations including the Downtown Center in Eugene, centers in Cottage Grove, Florence, the Eugene Airport and outreach sites in the community.

In 2011, Lane broke ground on our new Downtown Center which combined innovative classroom space with Titan Court, Lane's first student housing. Lane received a Community Award from Eugene Mayor Kitty Piercy for the new Downtown Center which she described as an "exemplary model of sustainability in keeping with goals and values held by the city, the college and throughout the region". In 2014, the college broke ground on the \$35 million Center for Learning and Student Success (CLASS) capital construction project, which will transform the college's Center Building into a state of the art learning commons, providing a central hub for student learning and co-curricular activities.

During the Great Recession that began in 2007-2008, Lane saw our enrollment begin to surge resulting in a peak of 15,400 FTE in 2010-2011. Since that time, Lane has witnessed a decline in enrollment to pre-recession levels. Lane's 2013-2014 enrollment was 12,312 FTE with a student headcount of 33,695. Approximately 87% of student enrolled in credit courses with 60% of credit students enrolled part-time.

During the 2014-2015 academic year, the college completed a comprehensive accreditation self-study and hosted an accreditation visit from representatives of the Northwest Commission on Colleges and Universities. The college's accreditation was reaffirmed, with the commission commending the college for our emphasis on student success; student support services; strong policy leadership by the board; transparency and integrity; innovative work attracting national distinction in areas such as student success, sustainability, and college leadership; the downtown campus; a comprehensive library; and diligence in addressing student loan default rates. The college was advised

to continue our work in integrating planning and institutional effectiveness efforts, assessing student learning outcomes, and scaling up its pilot program review process. The college is currently in the process of updating our core themes and strategic plan, which will go into effect in 2016.

Support and Partnerships

Lane has had broad community and state support from its inception in 1964. Today the college continues to enjoy the backing of county residents who approved an \$83 million bond in 2008 to fund improvements to classrooms, labs and infrastructure on the main campus, at the Eugene airport and in Florence. Over the past ten years, the Lane Foundation has received donations that increased annual scholarships to students from \$300,000 to \$750,000. The Foundation has over 1,400 donors that support its goals. These are comprised of businesses and corporations, community members and alumni, staff and retirees. In 2013, Lane made the governor's list of recommended capital construction projects which will secure \$8 million in matching funds for the Center for Learning and Student Success project.

Community partnerships in the last decade have also enriched Lane's physical spaces and capacity to continue quality programs, events and student support. In December 2010 Lane celebrated the opening of the Longhouse which was the result of partnerships with six Native American tribes and many other friends of Lane. In 2009-10, the college benefited from the generosity of our community in gifts from private donors to our first major gifts campaign "Opening Doors". These funds supported construction in 2010 of a state-of-the-art Health and Wellness Center.

In Fall 2013, Lane expanded our relationship with School District 4J to help 200 high school students successfully transition to college with an Early College and Career Options program on campus as part of our High School Connections. Similar early college high school models nationally indicate that high school students who participate in significant college credit-earning experiences on a college campus are more likely to graduate from high school, enroll in college and succeed in college.

ConnectEd Lane County, initiated by Lane President Mary Spilde, is a local coalition of school districts, institutional of public higher education and early childhood partners, The aim is to increase the number of local high school graduates who are successful in higher education and life by creating a seamless and streamlined transition between early childhood, K-12 and higher education through partnerships and relationships with educational, community and business partner organizations.

National Affiliations and Projects

Lane is engaged in a number of national projects and organizations that endeavor to bring outstanding learning experiences to our students.

For more than 35 years, Lane has been a member of the League for Innovation in the Community College, a consortium of leading community colleges organized to stimulate innovation and experimentation in all areas of community college development. Lane is the only Oregon college on the League's board.

Lane is also one of 53 colleges nationwide and the only northwest community college participating in the Democracy Commitment sponsored by the American Association of State Colleges and Universities, an initiative to develop and expand community college programs, projects and curricula to engage students in civic learning and democratic practice. Lane has also been designated a partner in a Next Generation Learning Challenges grant from the Gates Foundation and Educause. The only west coast college partner, Lane will receive several online tools to help developmental students become more successful.

Lane continues to demonstrate a commitment to student achievement that reflects our mission and drives the work of the college. Focusing on learning, quality, and student success, Lane participates in multiple national initiatives and projects that support and improve student success. Some of these initiatives, such as Achieving the Dream, provide quantitative or qualitative data informing decisions that improve enrollment patterns and achievement of benchmarks. Other projects such as AAC&U-sponsored Roadmaps and Core Learning Outcomes help us shape advising and implement high impact practices to foster student success. In September 2014 Lane was named an Achieving the Dream Leader College—a national designation awarded to community colleges that commit to improving student success and closing achievement gaps. Lane is the only Oregon college to receive the honor.

Meeting Local Needs

Some programs and services at Lane are designed to meet specialized needs such as Veterans Services, Honors Program, the Successful Aging Institute and the Lane Child and Family Center. One unique example, Specialized Support Services provides employment training and education to adult students who experience intellectual and/or developmental disabilities. Specialized Support Services serves 85 students with developmental disabilities in a variety of work settings and is the only program of its kind in Oregon.

Founded in 2005 to meet a clear need to teach peace in a world beset by war, racism, poverty and environmental destruction, Lane's Peace Center has brought nationally recognized activists to campus for conferences and symposia that advance our vision "Fostering peace through education". Another Lane tradition is Reading Together in which students, faculty and staff read and discuss a common book. Lane's Institute for Sustainable Practices promotes improvement of sustainability in Lane's educational and operational practices and administers the Learning Garden and Lane's sustainability-focused degrees.

Lane has unique facilities that serve the community as well as academic programs. The Center for Meeting and Learning is a conference site that also serves as a laboratory for the Culinary and Hospitality programs offering catering and event coordination. The Arts Division offers

venues for theatre, music and dance productions in the Performance Hall and the Blue Door Theatre, Eugene's only theatre-in-the-round. The Lane Art Gallery displays student work as well as works of regional, national and international artists.

Accreditation

Lane is accredited by the Northwest Commission on Colleges and Universities. The Commission is an institutional accrediting body recognized by the Council for Higher Education Accreditation and the U.S. Department of Education. Related regional accreditation documents are on reserve in the college library. Individual Lane programs are evaluated for quality by numerous vocational and professional accrediting associations, including:

Automotive Technology, certified by the National Automotive Technicians Education Foundation, a nonprofit foundation within the National Institute for Automotive Service Excellence

Aviation Maintenance, approved and certified under Part 147 of the Federal Aviation Regulations of the Federal Aviation Administration

Culinary Arts, accredited by the American Culinary Federation Education Foundation Accrediting Commission, a specialized accrediting commission recognized by the Council for Higher Education Accreditation

Dental Assisting, accredited by American Dental Association's Commission on Dental Accreditation, a specialized accrediting board recognized by the U.S. Department of Education

Dental Hygiene, accredited by American Dental Association's Commission on Dental Accreditation, a specialized accrediting board recognized by the U.S. Department of Education

Diesel Technology, evaluated and accredited by the Associated Equipment Distributors Foundation

Emergency Medical Technology-Paramedic, approved by the Department of Human Services and Trauma Systems, Oregon, meeting requirements of OAR 333-265-0010(2)

Energy Management, awarded Institute for Sustainable Power Quality accreditation credential from the Interstate Renewable Energy Council, International Standard #01021 for accreditation and certification of renewable energy training programs and instructors

Exercise and Movement Science reviewed and endorsed by the American College of Sports Medicine

Flight Technology certification courses, approved by the Federal Aviation Administration

Hospitality Management, accredited by the Commission on Accreditation of Hospitality Management Programs

Medical Office Assistant, accredited by the Commission on Accreditation of Allied Health Education Programs, a specialized accrediting board recognized by the Council for Higher Education Accreditation, on recommendation of the Curriculum Review Board of the American Association of Medical Assistants Endowment

Nursing; RN, evaluated and approved through 2020 by the Oregon State Board of Nursing

Nursing; LPN, evaluated and approved through 2018 by the Oregon State Board of Nursing

Physical Therapist Assistant, accredited by the Commission on Accreditation in Physical Therapy Education of the American Physical Therapy Association

Respiratory Care, accredited by the Commission on Accreditation of Respiratory Care

In Summary, Lane Community College has established productive local and national relationships to provide our community with comprehensive, innovative and unique educational opportunities. All these projects, centers, institutes and services contribute to the health of our community and the success of our students reflecting the identity Lane Community College has forged in the past half century.

We are the community's college...Transforming lives through learning

Board of Education

Seven elected, unpaid Board members have primary authority to establish policies governing the operation of the college and to adopt its budget. Their charge is to encourage the development of programs and services that will best serve the needs of College District constituents.

Sharon Stiles, Retired EEO Officer, Florence
Elected May 2009, term expires June 30, 2017
Zone 1-Western

Robert L. Ackerman, Retired Attorney, Eugene
Elected May 2007, term expires June 30, 2015
Zone 2-Northern

Gary LeClair, Physician, Springfield
Elected May 2009, term expires June 30, 2017
Zone 3-Marcola and Springfield

Matt Keating, Political Consultant, Eugene
Elected July 1, 2013, term expires June 30, 2017
Zone 4-Eastern

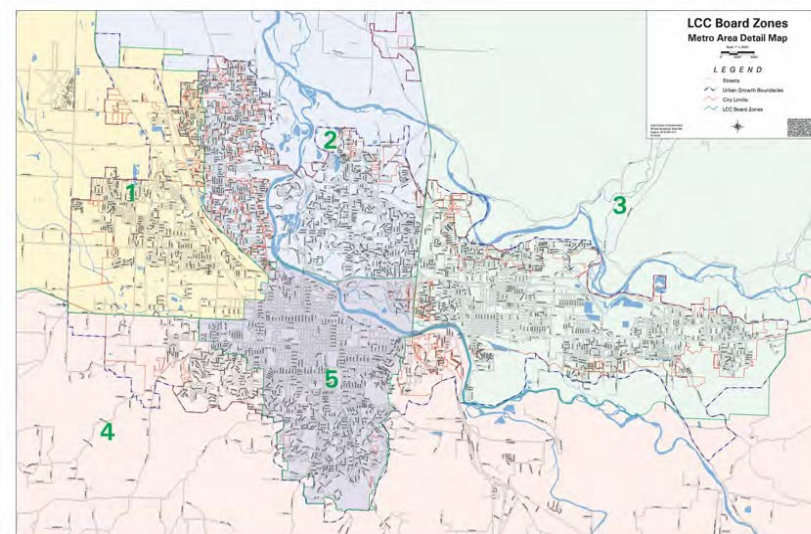
Pat Albright, Retired Teacher, Eugene
Elected May 2007, term expires June 30, 2015
Zone 5-Central Eugene

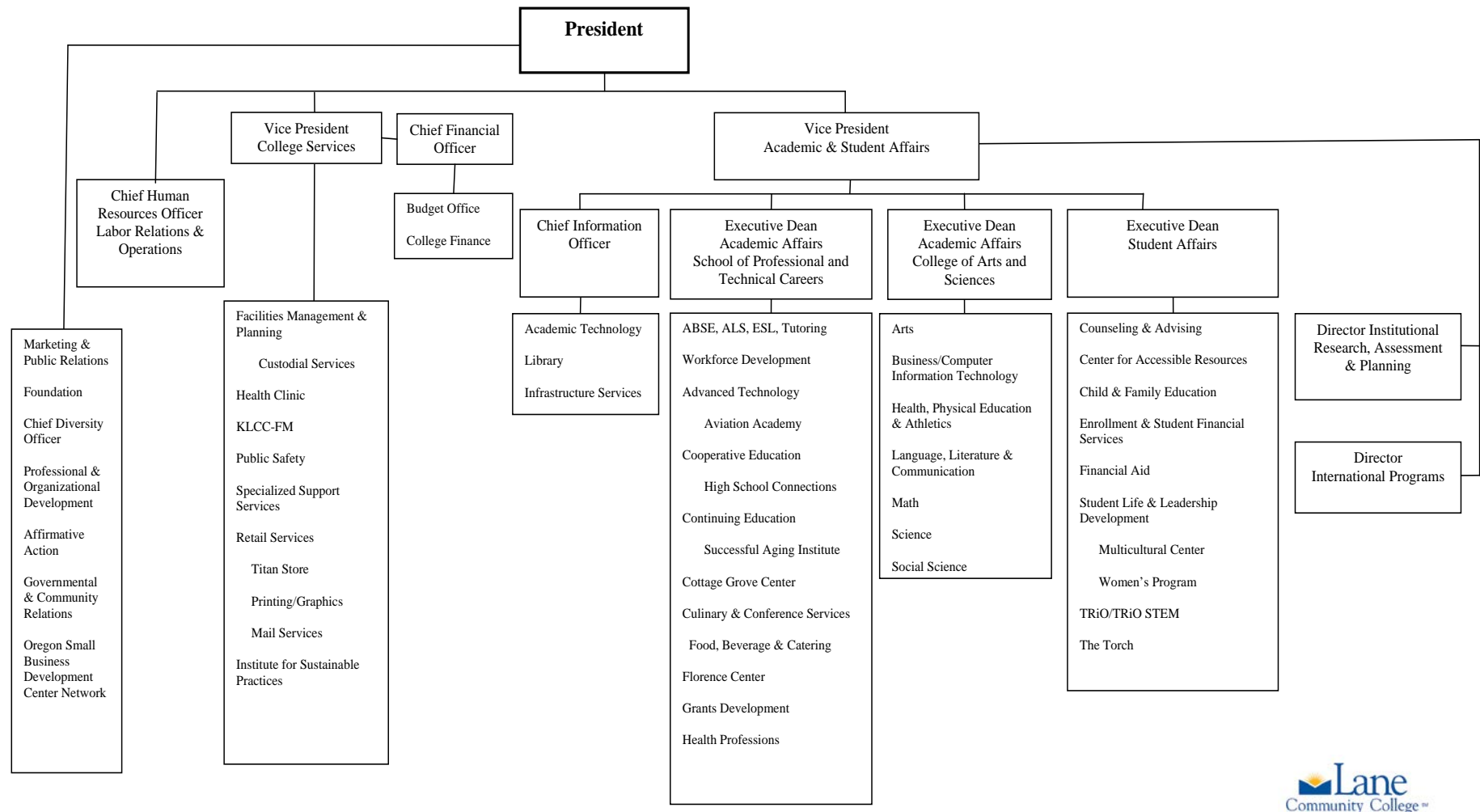
Rosie Pryor, Marketing & Strategy Officer, Eugene
Elected July 2011, term expires June 30, 2015
At-Large, Position 6

Tony McCown, Education Consultant, Springfield
Elected May 2007, term expires June 30, 2015
At-Large, Position 7



LCC Board of Directors & College President Mary Spilde





Organizational Units

Lane Community College is structured into the following organizational units:

Office of the President

The Office of the President stewards the work of the college and directly administers Executive Services functions including Human Resources, Marketing and Public Relations, the Foundation, Diversity, Professional and Organizational Development, Community and Governmental Relations, International Programs and the Oregon Small Business Development Center Network. The Office of the President also provides support to the Board of Education.

Office of Academic & Student Affairs

The Office of Academic and Student Affairs is responsible for student success and quality progression and completion for Lane students. The Office of Academic and Student Affairs guides the work of Academic and Information Technology, Career and Technical Education, Academic Transfer, Student Affairs, Grants, International Programs, and Institutional Research, Assessment and Planning.

Office of College Services

The Office of College Services provides leadership for operational and enterprise units to include Finance and Budget, Facilities Management and Planning, Public Safety, Staff and Student Health Services, Specialized Support Services, the Titan Store, Printing and Graphics, KLCC-FM and the Institute for Sustainable Practices.

Office of Human Resources, Labor Relations & Operations

The Office Human Resources and Labor Relations and Operations provides direction, support and oversight for all aspects of personnel services, labor relations and compliance at the college.

Budget Structure and Functions

Basis of Budgeting

For the budget document, Oregon Budget Law requires that a modified accrual basis of accounting is used, which determines when and how transactions or events are recognized. “Revenues are reported when earned, expenditures are reported when the liability is incurred and taxes are accounted for on a cash basis, i.e. when received. The result is that carryovers of financial obligations from year-to-year are precluded and projections of anticipated revenue are not inflated” (Comprehensive Annual Financial Report).

The college budgets all college funds required to be budgeted, the General Fund and all Auxiliary Funds, in accordance with Oregon Local Budget Law on a Non-GAAP (Generally Accepted Accounting Principles) budgetary basis, whereas GAAP provide the structure for the basis of accounting used for financial statement reporting. The differences between GAAP and the budgetary basis of accounting generally concern timing of recognition of revenues and expenditures. Thus, there are no differences between fund structure in the financial statements and the budget document.

The basic financial statements present the college and its component unit, Lane Community College Foundation, for which the college is considered to be financially accountable. The Foundation, a legally separate tax-exempt entity, is a discretely presented component unit and is reported in a separate column in the basic financial statements. The budget document presents college information exclusive of Foundation data.

Under GAAP, basic financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the years in which they are levied. Grants and other similar types of revenue are recognized as soon as all eligibility requirements imposed by the grantor have been met.

Material timing differences in expenditures between GAAP and the budgetary basis of accounting include capital expenditures, which under GAAP are allocated to depreciation expense over a specified period of time. In the budget document, capital expenditures are assigned in full to operations expense. With respect to debt service, payments to principal reduce the liability on the financial statements while interest payments are expensed. Under the budgetary basis of accounting, both principal and interest are expensed to operations within the fiscal year

Funds

Lane Community College's budget is separated into the following funds, appropriated by the Board of Education. Each fund is independently budgeted, operated and accounted for. The college's primary budgeting and operation funds are the General Fund (I) and the Special Revenue – Administratively Restricted Fund (IX).

Fund I: General Fund

Includes activities directly associated with activities related to the college's basic educational objectives

Fund IX: Special Revenue – Administratively Restricted Fund

Used to account for specific programs where monies are administratively restricted. Activities recorded in this fund generate revenue primarily through specifically assessed tuition and fees or through other revenue-generating activities

Fund II: Internal Service Fund

Includes functions that exist primarily to provide goods or services to other instructional or administrative units of the college

Fund III: Debt Service Fund

Accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest

Fund IV: Capital Projects Fund

Used for the acquisition of land, new construction, major remodeling projects and major equipment purchases

Fund V: Financial Aid Fund

Used for the provision of grants, stipends and other aid to enrolled students

Fund VI: Enterprise Fund

Includes activities that furnish goods or services to students, staff or the public for which charges or fees are assessed that are directly related to the cost of the good or service provided

Fund VIII: Special Revenue Fund

Accounts for revenue sources that are legally restricted to expenditures for specific purposes

Revenue Sources

Intergovernmental

Also known as total public resources, intergovernmental resources include Lane's allocation of community college funding from the State of Oregon, resources from various unrestricted federal, state and local contracts and local property tax revenue. State community college funding resources are determined by the state legislature's funding distribution formula and are calculated on a biennial basis. Federal, state and local unrestricted resources are budgeted using statistical trend analysis. Property tax revenue is determined by annual property tax levy and is budgeted using estimates provided by the state and through historical trend analysis.

Tuition

Credit tuition is generated by assessing students' per credit-hour rates, which are annually adjusted for inflation using the Higher Education Price Index (HEPI) per Board of Education policy D.110. Non-credit tuition is generated by charging varying rates per course, based on course costs and market forces. Tuition resources are budgeted taking into consideration enrollment projections developed by the college's Institutional Research and Planning department.

Instructional Fees

Instructional fees are generated by assessing students for course-related expenses such as art supplies. All instructional fees are administratively restricted resources that are tied specifically to instructional expenditures and are not available for general allocation. Departmental instructional fees are established based on estimated materials and services costs and are approved by the Board of Education. Instructional fees are budgeted based on enrollment projections that are developed by the college's Institutional Research and Planning department and historical trend analysis.

Interest Income

Interest income is derived from investment of operating capital in excess of daily requirements.

Fees (Non-Instructional)

Non-instructional fees are generated by assessing students for non-instructional expenses such as student body fees, transportation fees and technology fees. Individual fee amounts are approved by the Board of Education and budgeted based on enrollment projections and historical trend analysis.

Sale of Goods and Services

Sales of Goods and Services are generated primarily through the college's Enterprise and Internal Service activities, including such units as the Titan Store, Food Services, Center for Meeting and Learning (CML), and Printing & Graphics. Sale of Goods and Services revenue is budgeted based on historical trends factoring in known variables.

Administrative Recovery

Administrative Recovery includes amounts received from college Enterprise funds (such as the Titan Store, Foodservices and CML), as well as from various federal, state and local grants and contracts as a contribution to the General Fund for administrative and overhead costs.

Transfers In

Interfund Transfers In move resources from one fund to another. These transfers are for specific amounts and purposes. An example would be transferring resources from Flight Technology in Fund 9 to the Debt Service Fund to pay the annual debt service on airplane purchase loans.

Other Resources

These include resources from various activities such as finance charges, insurance proceeds, sale of equipment, enforcement fees and other nominal, one-time miscellaneous amounts. Budgeting is based on historical trend analysis.

Expense Functions

Instruction

Expenditures are for all activities that are part of the college's instructional programs, including expenditures for departmental administrators and their support

Instructional Support

Expenditures are for activities carried out primarily to provide support services that are an integral part of the college's instructional programs. This category includes the media and technology employed by these programs for the retention, preservation and display of materials as well as the administrative support operations that function within the various instructional units. It also includes expenditures for chief instructional officers and their support where their primary assignment is administration.

Student Services

Expenditures are for admissions, registration, recordkeeping and other activities when the primary purpose is to contribute to students' well-being and development outside the context of their formal instructional program

Community Services

Expenditures are for activities established primarily to provide non-instructional services to groups external to the college

College Support Services

Expenditures are for activities whose primary purpose is to provide operational support for the ongoing operation of the college, excluding physical plant operations. Expenses include executive management, fiscal operations, administrative and logistical services and community relations.

Plant Operations and Maintenance

Expenditures are for the operation and maintenance of the physical plant. It includes services related to campus grounds and facilities, utilities and property insurance

Plant Additions

Expenditures are for land, land improvement, buildings and major remodeling or renovation that is not a part of normal plant operation and maintenance

Financial Aid

Expenditures are for loans, grants and trainee stipends to enrolled students. Student fee remissions are also included in this expense function

Contingency

A budget account (not for expenditures) to provide for contingencies and unanticipated items or to hold funds for future distribution

This function may also be used to provide expenditure authority for obligations created but not expended in previous years.

Expenditure Categories

Personnel Services

Personnel Services expenditures include all full-time and part-time payroll plus Other Payroll Expenses (OPE). Payroll is budgeted using actual position lists, and where possible, factors in any anticipated changes in collective bargaining agreements. OPE rates are budgeted using benefits cost projections, including amounts for various employment-related taxes, health and life insurance premiums, retirement fund contributions, employee wellness programs and other direct employee benefits.

Materials & Services

Materials & Services expenditures include items such as office support supplies for instructional and operations departments, non-capitalized equipment, travel and maintenance.

Capital Outlay

Capital Outlay expenditures include all equipment purchases with a single item cost in excess of \$10,000 and with a useful life exceeding two years. Capital Outlay is budgeted and allocated according to the Capital Assets Replacement Plan.

Transfers Out

Interfund transfers-out resource funding of specific amounts to another fund for an identified purpose. The majority of transfers out occur in the General Fund and include items such as transfers to the Financial Aid Fund to cover institutional scholarships and institutional match obligations and transfers to the Capital Projects Fund for capital repairs and improvements, special projects, capital reserves and deferred maintenance.

Debt Service

Debt Service includes amounts transferred out to the Debt Service Fund to cover current payment of long-term debt obligations entered into by the college.

Contingency

Contingency is a budget account used to provide for unanticipated items or to hold funds for future distribution. This category may also be used to provide expenditure authority for obligations created but not expended in previous years.

Budget Development Process

In the budget development process outlined below, Lane Community College follows Oregon Local Budget Law. In addition to providing a financial plan for fiscal year revenues and expenses, Lane's Budget document outlines programs and initiatives and implements controls on spending authority. The budget development process is designed to encourage citizen input and public opinion about college programs and fiscal policies.

I Establish a Budget Committee

The Budget Committee consists of the seven members of the Board of Education plus seven citizens at large. Each board member appoints one citizen to the committee for a term of three years. Terms are staggered so that about one third of the appointed terms end each year.

II Appoint a Budget Officer

The Chief Financial Officer, Lane's Budget Officer, is appointed by the Board of Education

III Prepare a Proposed Budget

The Budget Officer supervises the preparation of a Proposed Budget, which includes the following actions:

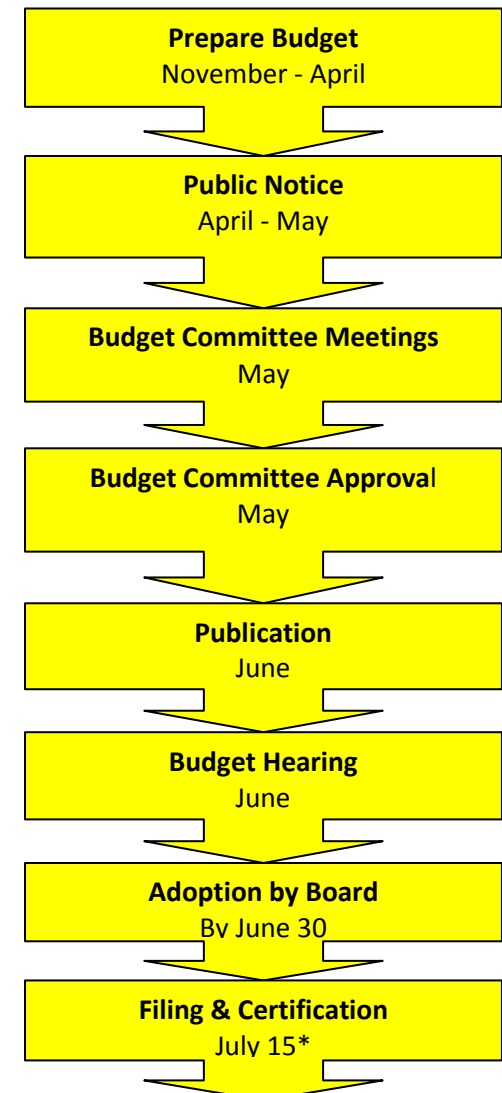
- A. Discuss Budget Assumptions with Budget Committee
- B. Develop resource (revenue) estimates and base expenditures budget
- C. Estimate preliminary surplus/deficit
- D. Determine tuition rate
- E. Develop changes to base and final budgets in accordance with internal planning processes and Board of Education approval
- F. Prepare Budget Message for the Budget Committee, public, employees and other stakeholders

IV Public Notice

Lane's Budget Officer publishes a public Notice of Budget Committee Meeting(s).

*Oregon Revised Statutes (ORS) section 294:<http://www.leg.state.or.us/ors/294.html>

2015-2016 Budget Calendar



V Budget Committee Meeting(s)

At least one Budget Committee meeting is held to 1) review the budget message and document, 2) hear the public and 3) revise and complete the budget as needed. At the time the proposed budget is distributed to the Budget Committee, it becomes public record and is made available to the public.

VI Budget Approval

When the Budget Committee is satisfied with the proposed budget, including any additions to or deletions from the budget prepared by the Budget Officer, the budget is approved. Note: If the budget requires an ad valorem tax to be in balance, the budget committee must approve an amount or rate of total ad valorem property taxes to be certified to the assessor.

VII Publication

After the budget is approved, a budget hearing is held by the Board of Education. The Budget Officer publishes a summary of the approved budget and a Notice of Budget Hearing.

VIII Budget Hearing

The Budget Hearing is held to receive citizen testimony on the approved budget.

IX Adoption

The Board of Education enacts a resolution to 1) formally adopt the budget, 2) make appropriations and, if needed, 3) levy and categorize taxes. The resolution must be adopted no later than June 30 for the fiscal year starting July 1.

X Budget Filed and Levy Certified

A copy of the complete budget is sent to the Lane County Clerk. When levying a property tax, Lane's Budget Officer submits notice of levy, categorization certification and resolutions to the County Assessor's office by July 15.

Budget Amendment Process

Budget estimates as shown in the Budget Document may be amended by the Board of Education 1) prior to formal adoption or 2) after formal adoption if amendments are adopted prior to the commencement of the budget fiscal year *and* the amount of estimated expenditures for each fund is not adjusted by more than 10%, a summary of the proposed changes must be published and another public Budget Hearing must be held.

Total ad valorem property tax amounts or rates may not be increased following formal adoption of the Budget Document unless 1) an amended Budget Document is republished and another public budget hearing is held and 2) the college obtains written approval and files a supplemental notice of property tax.



Budget Message
Fiscal Year 2015-2016
Presented May 13, 2015

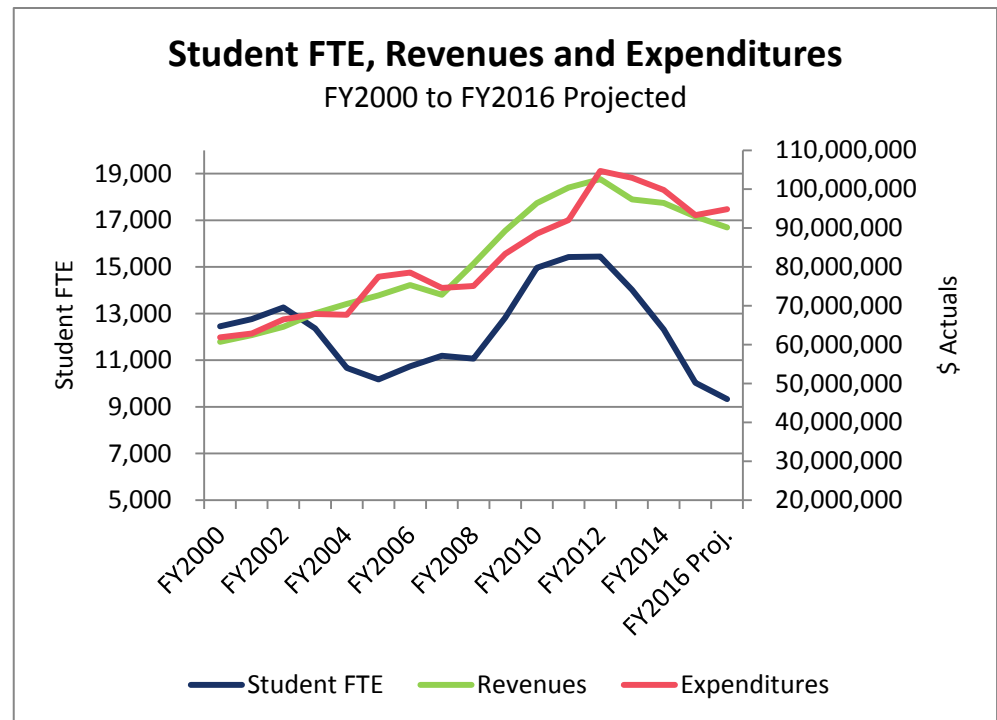
The fiscal year 2015-16 budget reflects a year-long process of analysis, review, and application of our budget development principles, criteria and data elements as we work to align budget and expenditures with pre-recession enrollment levels while continuing to further our mission and strategic directions.

In preparation of the proposed budget, revenue and expenditure forecasts are prepared within the context of the current economic environment. The March 2015 report from the Oregon Office of Economic Analysis reflects a modest but sustained recovery for the state. In March, 2015, a panel of economists hosted by the Eugene Area Chamber of Commerce predicted moderate growth this year of under 3 percent for Lane County. Lane County's unemployment rate was 6.1 percent in February, down from the recession peak of 12.8 percent in May 2009.

The improving economy presents a mix of financial impacts to Lane Community College. On one hand, state funding and property taxes are expected to improve moderately in the coming biennium. Conversely, growth in the local economy and job market has negatively impacted enrollment, reducing tuition and fee revenue. We currently project enrollment to decline an additional 7 percent in 2015-2016, resulting in a 6.2 percent decline in tuition and fee revenue.

The current fiscal year 2014-15 budget was built assuming a 12 percent enrollment decline. In early fall 2014, when it became evident that the year over year decline would be closer to 18 percent, we began work in earnest to further reduce class sections, reduce part-time classified hours and limit materials and services and capital outlay expenditures. Managers, faculty and staff have done well with this mid-year course correction.

We continue to work on a series of seven long-term balancing strategies to influence ongoing financial sustainability: strategic enrollment management; growth and retention; enterprise and auxiliary strategic plan; grants, partnerships and leveraged funding; evidence-informed decision making; capital improvement plan; and strategic development of online learning and resources. Work on these strategies will continue into fiscal year 2015-16.



Economic Environment

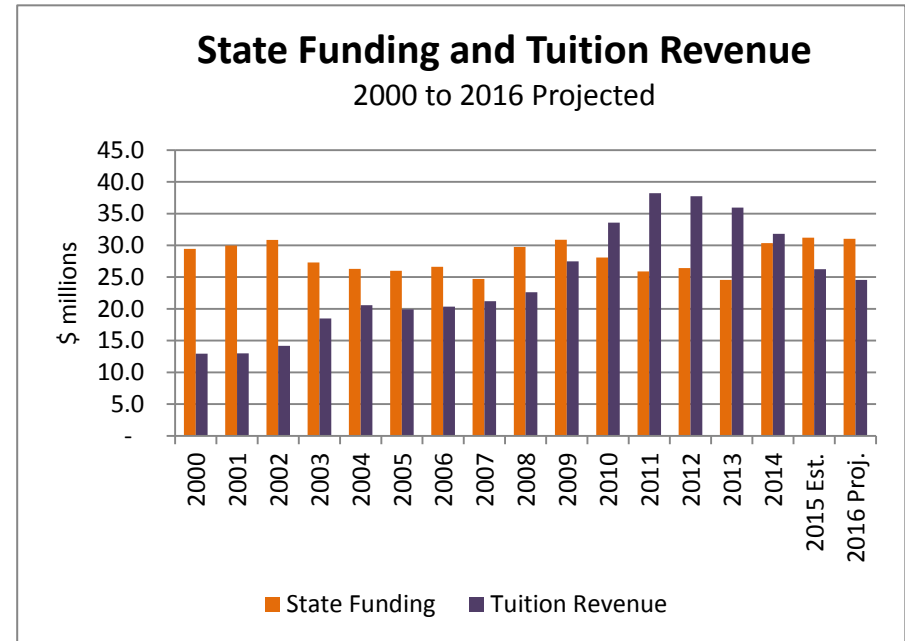
State funding for the 2015-2017 biennium of the Community College Support Fund (CCSF) is unknown at this time, as the state legislators have yet to approve the state's budget. The Governor's recommended budget included \$500 million for community colleges. The Higher Education Coordinating Committee proposed \$519 million and the latest budget from the co-chairs of the Ways and Means Committee provides \$535 million. While these levels are higher than the current biennium which is funded at \$465 million, CCSF funds will provide less per student than in the 1999-2001 biennium. Oregon is 46th in the nation in higher education funding. Although we are experiencing a decline from enrollment gains at the height of the recession, the need for our services remains strong as we continue to serve nearly 10,000 full time equivalent students seeking academic transfer, career technical education, foundational skills and lifelong learning opportunities. Our goals of providing affordable, accessible and comprehensive educational opportunities, maintaining adequate compensation and benefits for employees, and meeting essential operating requirements of the college are not attainable without significant tradeoffs within those objectives.

Adjusting to our economic reality requires strategic choices between increasing revenue, maintaining service levels at lower cost, downsizing the college and student opportunities to match reduced public support, or some combination therein.

Raising revenue through higher tuition and fees shifts the burden of lost public support to our students. Higher prices economically challenge students and can result in additional enrollment declines.

We have experienced significant success reducing part-time faculty, part-time staff and materials and services expenditures to align with reduced enrollment and plan additional reductions in 2015-16. Part-time reductions are not easy as they directly impact the faculty and staff who stepped in to help during our enrollment surge and now face reduced assignments and hours.

With 81 percent of our general fund budget in compensation and benefits, we are limited in our ability to reduce expenditures further without layoffs. Employees are the greatest asset of the college and we remain committed to providing competitive salary and benefits but revenue has not kept pace with increasing costs. Additional drivers to increasing personnel costs are health care insurance premium increases and higher PERS contribution rates.



Our focus throughout the budget development and planning process is to determine the optimal balance of revenue, expenditures and program and service levels, using evidence to inform our analysis through application of the budget development principles, criteria and data elements.

2015-16 Budget Assumptions

Revenues from total public resources include an estimated \$31,030,000 from the state Community College Support Fund and an estimated \$17,405,000 in property taxes for a total of \$48,435,000. Because the funding distribution formula includes 100 percent of Lane's property taxes, state and property tax revenues must be considered together in budget development and are shown in the "Total Public Resources" line item.

The proposed budget is based on a tuition rate of \$99.50 per credit hour. This represents a \$1.50 increase over the 2014-15 tuition rate. The increase of \$1.50 was approved by the Board of Education in February 2015 as part of the college's standard indexing to the Higher Education Price Index (HEPI).

Enrollment is estimated to decline 7 percent in 2015-16. Tuition, student fees, and part-time staffing budgets have been adjusted to reflect this reduced enrollment level.

2015-16 Budget Development Process

The budget development process began in the fall with our annual process of department-level review and unit planning. Planning work has been further enhanced this year by our immersion in our accreditation self-study process and by the development of enhanced analysis and reporting tools for evaluating sections and staffing levels relative to tuition. Unit planning and program and service review has continued through the winter and spring.

Communications have gone out to all staff regularly since fall term, with information about the budget outlook, balancing measures and strategies, timeline and opportunities for information and feedback. All campus budget conversations were held in the Center for Meeting and Learning, in January and April and the budget web site includes a wealth of information, responses to information requests and a blog for suggestions, questions and answers.

The Budget and Finance Subcommittee of College Council met during March, April and May to review budget allocation recommendations.

General Fund Budget for Fiscal Year 2015-16

This budget reflects the reality of a forced transition from public funding to a combination of public and private funding sources. Our expenses must be firmly linked to and limited by revenue to provide a financially sustainable model for the reliable and comprehensive access to education our community needs.

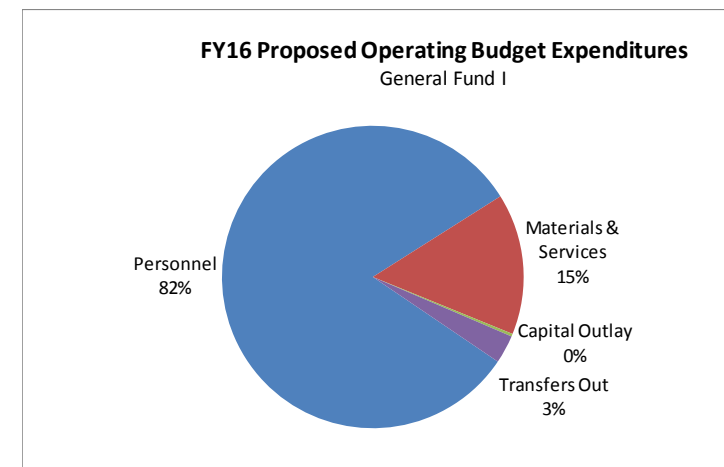
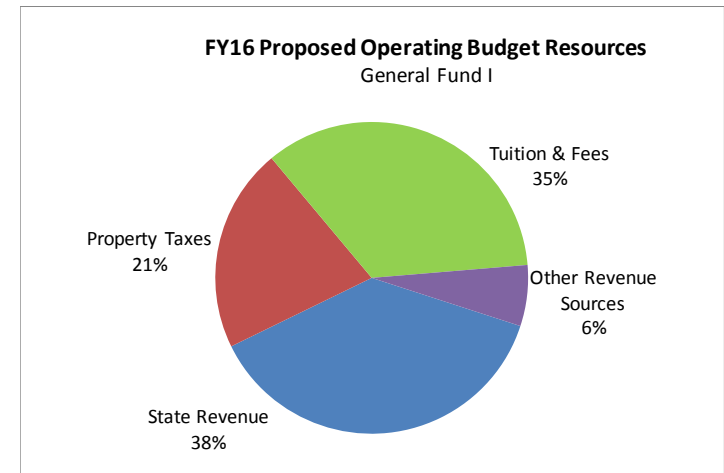
The General Fund and Administratively Restricted Fund proposed budgets are balanced based upon administration balancing options. These options include holding vacant positions open; classified staff reassignments; an early separation incentive for contracted classified employees; additional reductions in part-time faculty, classified staff and materials and services; a provision for salary adjustments; program reductions; and one-time use of ending fund balance.

For the first time in thirteen years two academic programs (Auto Body and Electronic Technology) are being recommended for elimination. Criteria used for this recommendation were enrollment demand, program cost, retention, utilization, essential courses required for degree, availability of jobs, wages and job placement. Deans are working individually with each student impacted by this decision to support completion of their program requirements. Recurring savings projected for the 2016-17 academic year forward, following a one year teach-out for each program are \$ 612,000.

The proposed General Fund budget for 2015-16 is \$92,780,081, a 2 percent decrease from the 2014-15 budget. Budgeted tuition and fee revenues are \$28 million, reflecting a 24 percent decrease over current year projections.

Even with the substantial reductions in part-time faculty and staff and savings realized from enrollment attrition adjustments and holding vacant positions open, personnel services continue to constitute the majority of the general fund budget, approximately 82 percent as proposed.

The proposed budget for the Special Revenue Administratively Restricted Fund IX is \$16,663,109. This reflects continued efficiencies and restructuring work done with our Flight Technology, Child Development Center, Continuing Education, Business Development Center, and Specialized Support Services. Budget projections used for budget development combine the General Fund and Fund IX.



Additional Important Information

Because budget laws require total resources and expenditures to balance, the budget document includes budget expenditure authority for all reasonably anticipated resources in fiscal year 2015-16 in all funds. Significant changes in other funds include an increase in the Debt Service Fund to provide for required principal and interest payments and a decrease in the Financial Aid Fund related to decreased enrollment and awards. None of these changes create new revenue or requirements for the General Fund.

This Budget Document is consistent with the budget laws of the State of Oregon and other applicable policies. The budget is prepared on a modified accrual basis of accounting (revenues reported when earned; expenditures reported when the liability is incurred; taxes accounted for on a cash basis). The result is that carryovers of financial obligations from year-to-year are precluded and projections of anticipated revenue are not inflated.

The format and summarization are consistent with the Oregon Accounting Guidelines for Community Colleges. This budget expresses the basic and essential fiscal requirements of Lane Community College as set forth by the Board of Education. The 2015-16 Budget Document is submitted herewith for your consideration and action. The staff and I are ready to assist you in the important task of reviewing this document.

Respectfully,

Brian Kelly
Vice President for College Services

TOTAL BUDGET: ALL FUNDS

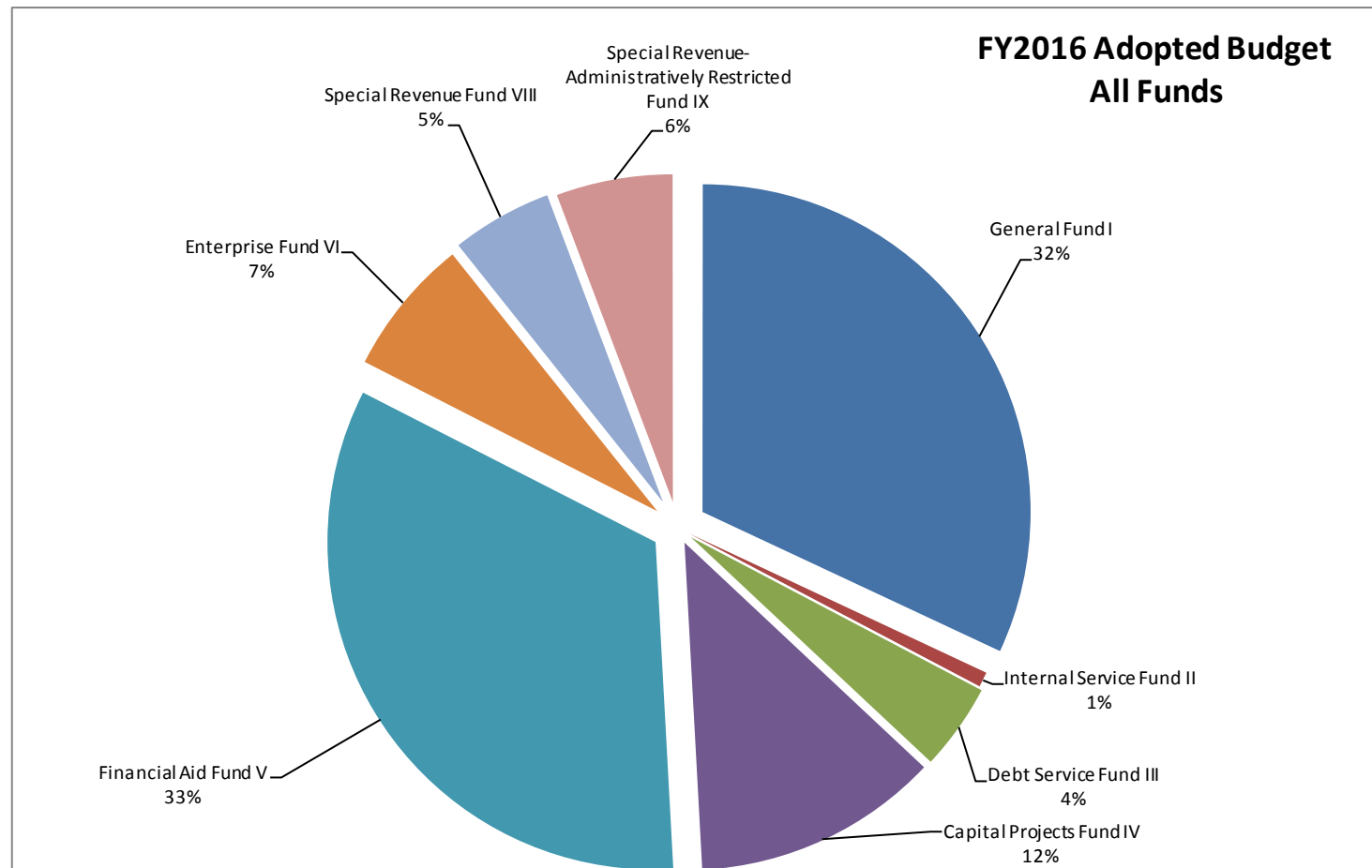
General Fund (I)	\$92,780,081
Internal Services Fund (II)	2,143,383
Debt Service Fund (III)	12,404,890
Capital Projects Fund (IV)	35,245,627
Financial Aid Fund (V)	96,841,191
Enterprise Fund (VI)	19,660,681
Special Revenue Fund (VIII)	14,378,306
Special Revenue: Admin Restricted (IX)	16,663,109
Total All Funds	\$290,117,268



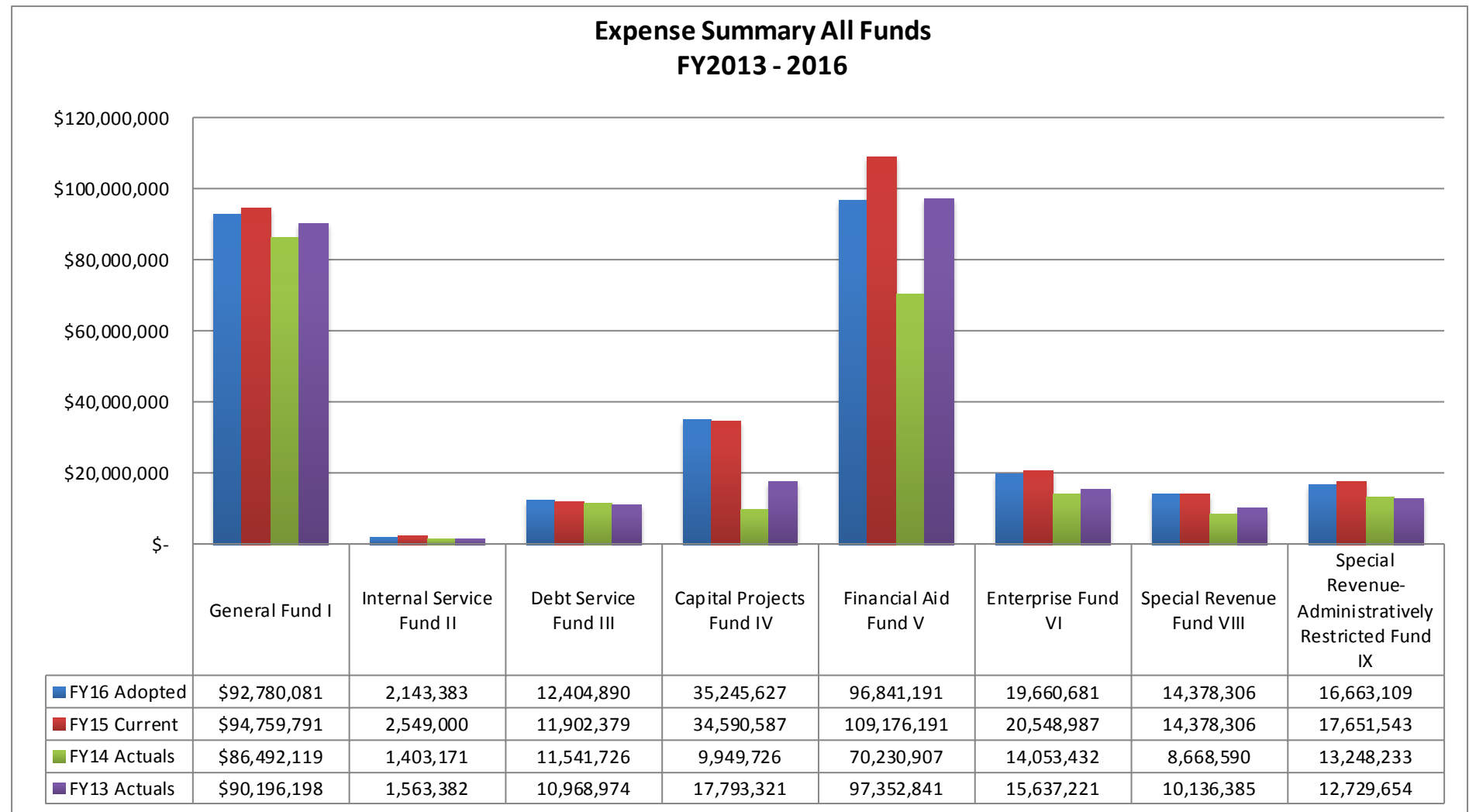
BUDGET SCHEDULES

Summary All Funds

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
General Fund I	\$ 92,780,081	\$ 92,780,081	\$ 92,780,081	\$ 94,759,791	\$ 86,492,119	\$ 90,196,198
Internal Service Fund II	2,143,383	2,143,383	2,143,383	2,549,000	1,403,171	1,563,382
Debt Service Fund III	12,404,890	12,404,890	12,404,890	11,902,379	11,541,726	10,968,974
Capital Projects Fund IV	35,245,627	35,245,627	35,245,627	34,590,587	9,949,726	17,793,321
Financial Aid Fund V	96,841,191	96,841,191	96,841,191	109,176,191	70,230,907	97,352,841
Enterprise Fund VI	19,660,681	19,660,681	19,660,681	20,548,987	14,053,432	15,637,221
Special Revenue Fund VIII	14,378,306	14,378,306	14,378,306	14,378,306	8,668,590	10,136,385
Special Revenue-Administratively Restricted Fund IX	16,663,109	16,663,109	16,663,109	17,651,543	13,248,233	12,729,654
Total	\$ 290,117,268	<u>\$ 290,117,268</u>	<u>\$ 290,117,268</u>	<u>\$ 305,556,784</u>	<u>\$ 215,587,904</u>	<u>\$ 256,377,976</u>



As in years past, the General Fund and the Financial Aid Fund are our two largest budgeted funds comprising 32% and 33% respectively



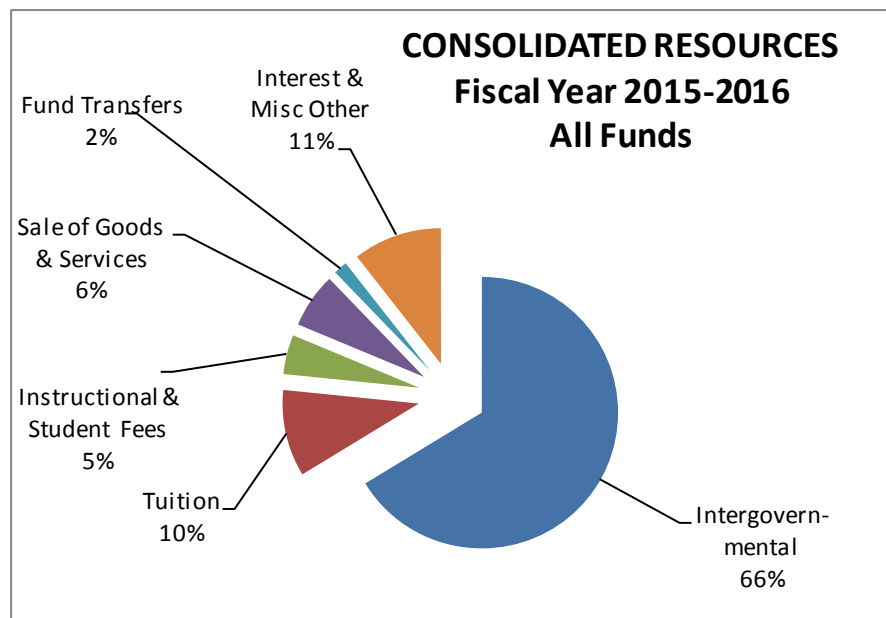
The majority of funds in the College's budget have been decreased significantly for FY2016 as a result of decreased enrollment.

Consolidated Resources & Requirements – All Funds

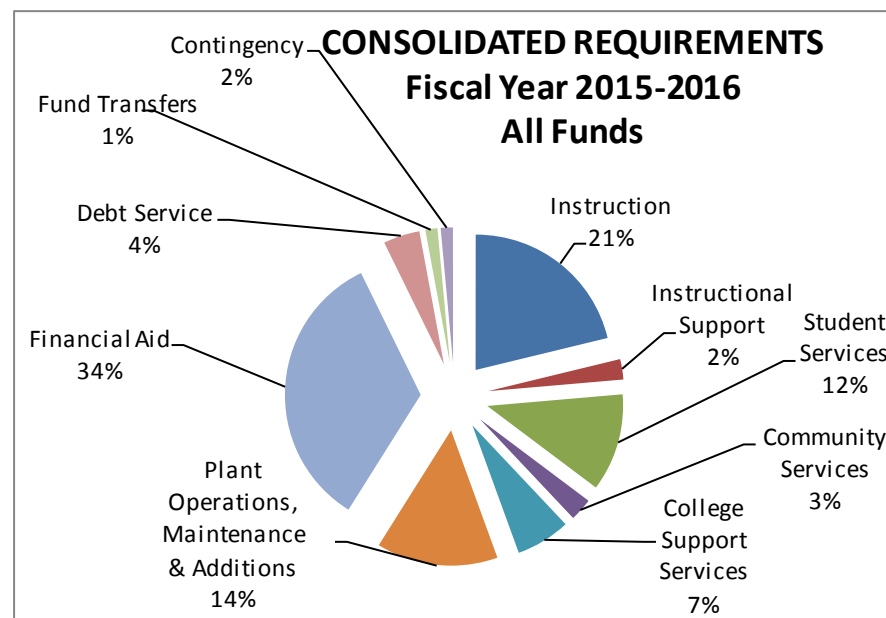
	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
<u>SUMMARY OF ALL FUNDS</u>						
<u>Resources</u>						
Intergovernmental	\$ 166,089,286	\$ 166,089,286	\$ 166,089,286	\$ 173,141,301	\$ 135,071,135	\$ 144,899,587
Tuition & Fees						
Tuition	25,887,211	25,887,211	25,887,211	32,701,550	33,596,049	37,426,651
Instructional & Student Fees	11,763,114	11,763,114	11,763,114	17,042,676	10,211,781	10,722,736
Other Sources:						
Sale of Goods & Services	16,317,623	16,317,623	16,317,623	16,183,187	12,114,997	14,146,847
Interest Income	434,340	434,340	434,340	434,000	758,121	585,457
Rents, Contracts, Gifts, Donations,						
Bad Debt Recovery	26,003,138	26,003,138	26,003,138	18,467,329	22,892,298	15,612,137
Proceeds from Sale of Bonds	-	-	-	-	-	45,760,218
Fund Transfers	4,100,131	4,100,131	4,100,131	3,952,507	4,641,310	5,515,052
Total Current Operating Resources	<u>\$ 250,594,843</u>	<u>\$ 250,594,843</u>	<u>\$ 250,594,843</u>	<u>\$ 261,922,550</u>	<u>\$ 219,285,692</u>	<u>\$ 274,668,684</u>
<u>Requirements By Function:</u>						
Instruction	\$ 60,633,079	\$ 60,633,079	\$ 60,633,079	\$ 65,014,248	\$ 59,264,746	\$ 60,788,671
Instructional Support	6,952,418	6,952,418	6,952,418	6,354,210	6,290,613	6,197,508
Student Services	33,274,066	33,274,066	33,274,066	34,471,581	25,467,427	26,922,901
Community Services	7,745,306	7,745,306	7,745,306	7,525,370	6,823,133	6,708,611
College Support Services	18,520,119	18,520,119	18,520,119	20,219,761	15,068,686	17,896,775
Plant Operation & Maintenance	7,696,282	7,696,282	7,696,282	7,050,044	7,871,283	8,102,757
Plant Additions	33,605,329	33,605,329	33,605,329	33,246,087	8,438,073	15,998,518
Financial Aid	96,791,191	96,791,191	96,791,191	109,126,191	70,180,907	97,302,841
Debt Service	12,404,890	12,404,890	12,404,890	11,902,379	11,541,726	10,968,974
Fund Transfers	4,100,131	4,100,131	4,100,131	3,952,507	4,641,310	5,490,420
Contingency	4,190,350	4,190,350	4,190,350	3,794,405	-	-
Unappropriated Ending Fund Balance (UEFB)	4,204,107	4,204,107	4,204,107	2,900,000	-	-
Total Current Operating Requirements	<u>\$ 290,117,268</u>	<u>\$ 290,117,268</u>	<u>\$ 290,117,268</u>	<u>\$ 305,556,783</u>	<u>\$ 215,587,904</u>	<u>\$ 256,377,976</u>
Excess (deficit) Current Resources	<u>\$ (39,522,424)</u>	<u>\$ (39,522,424)</u>	<u>\$ (39,522,424)</u>	<u>\$ (43,634,233)</u>	<u>\$ 3,697,788</u>	<u>\$ 18,290,708</u>
Beginning Fund Balance	39,522,424	39,522,424	39,522,424	43,634,233	59,778,965	41,488,259
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,476,753</u>	<u>\$ 59,778,967</u>

Lane Community College FY2016 Budget and Fund Structure							
Fund I General Fund \$92,780,081	Fund IX Special Revenue Admin Restricted \$16,663,109	Fund II Internal Service Fund \$2,143,383	Fund III Debt Service Fund \$12,404,890	Fund IV Capital Projects Fund \$35,245,627	Fund V Financial Aid Fund \$96,841,191	Fund VI Enterprise Fund \$19,660,681	Fund VIII Special Revenue Fund \$14,378,306
Transfers: \$2,654,448	Transfers: \$276,515	Transfers: \$53,500			Transfers: \$50,000	Transfers: \$1,061,668	Transfers: \$4,000
Instruction \$46,143,010	Instruction \$6,790,069	Employee Wellness Program \$145,847	Flight Service Technology Debt Service \$27,315	Information Technology LASR Project \$432,798	College Workstudy \$607,393	Student Services Bookstore \$9,950,000	Instruction \$7,700,000
Instructional Support \$6,058,741	Instructional Support \$843,677	Motor Pool \$67,500	Qualified Energy Conservation Bonds \$103,550	Plant Operations FM&P \$1,207,500	Financial Aid \$96,183,798	Student Services Downtown Housing \$992,395	Instructional Support \$50,000
Student Services \$8,842,646	Student Services \$4,457,407	Printing & Graphics \$650,000	General Obligation Bonds 2012 \$7,070,775	Bond Project \$33,075,840		Student Services Foodservices \$2,687,755	Student Services \$1,400,000
College Support Services \$14,447,997	Community Services (KLCC) \$2,621,000	Telephone Services \$808,536	Recovery Zone Bonds 2010 \$759,000	Plant Additions FM&P \$455,000		Student Services Hospitality & Conference Services \$944,576	Community Services \$5,124,306
Plant Operation & Maintenance FM&P \$6,488,782	College Support Services \$1,424,441	Warehouse Services \$418,000	Pension Obligation Bonds \$4,444,250	Longhouse Project \$74,489		Student Services International Student Program \$3,999,287	College Support Services \$100,000
Contingency \$3,940,350: UEFB \$4,204,107	Contingency \$250,000					College Support Services LaneStarter \$25,000	

Instruction	College Support Services	Debt Service
Instructional Support	Community Services	Bond Items
Student Services	Plant Operations	



As in prior years, Intergovernmental Revenue (property tax revenue and other major allocations from various federal, state and local contracts) remains the major resource for the college.



At over \$96,000,000, Financial Aid continues to be the largest expenditure area in the college budget.

Schedule of Interfund Transfers

	Revenues	Expenditures	Remarks
GENERAL FUND I			
To Internal Service Fund II	\$	\$ 349,930	Employee Wellness \$142,847; Telecommunications \$157,083; LaneStarter \$50,000
To Debt Service Fund III		103,550	Qualified Energy Conservation Loan
To Capital Projects Fund IV		1,036,798	Major Maintenance \$1,000,000; Distance Learning \$36,798
To Special Revenue-Administratively Restricted Fund IX		1,164,170	Athletics \$236,569; Child & Family Education \$479,935; KLCC \$200,000; Specialized Support .Services \$100,000; Torch \$87,666; Flight Technology \$60,000
From Internal Service Fund II	3,500		Transfer authority contingency
From Financial Aid Fund V	50,000		Financial Aid transfer
From Enterprise Fund VI	301,668		Center for Meeting & Learning \$65,423; Foodservices \$86,245; Housing Program/Public Safety \$100,000; Titan Store \$50,000
From Special Revenue Fund VIII	4,000		Transfer authority contingency
From Special Revenue-Administratively Restricted Fund IX	21,600		ASLCC cultural programs \$3,600; Open Educational Resources Lead \$18,000
TOTAL	\$ 380,768	\$ 2,654,448	
INTERNAL SERVICE FUND II			
To General Fund I	\$	\$ 3,500	Transfer authority contingency
To Enterprise Fund VI		25,000	LaneStarter
To Special Revenue-Administratively Restricted Fund IX		25,000	LaneStarter
From General Fund I	349,930		Employee Wellness \$142,847; Telecommunications \$157,083; LaneStarter \$50,000
TOTAL	\$ 349,930	\$ 53,500	
DEBT SERVICE FUND III			
From General Fund I	\$ 103,550		Qualified Energy Conservation Loan
From Enterprise Fund VI	759,000		Recovery Zone Bonds
From Special Revenue-Administratively Restricted Fund IX	27,315		Debt Service for Flight Technology Loan
TOTAL	\$ 889,865	\$ -	

- Continued -

SCHEDULE OF INTERFUND TRANSFERS

	Revenues	Expenditures	Remarks
CAPITAL PROJECTS FUND IV			
From General Fund I	\$ 1,036,798	\$ -	Major maintenance \$1,000,000; Distance Learning \$36,798
From Special Revenue-Administratively Restricted Fund IX	227,600		Transportation and Parking \$150,000; Longhouse \$77,600
TOTAL	\$ 1,264,398	\$ -	
FINANCIAL AID FUND V			
To General Fund	\$ -	\$ 50,000	Financial Aid transfer
TOTAL	\$ -	\$ 50,000	
ENTERPRISE FUND VI			
To General Fund I	\$	\$ 301,668	Center for Meeting & Learning \$65,423; Foodservices \$86,245; Housing Program/Public Safety \$100,000; Titan Store \$50,000
To Debt Service Fund III		759,000	Recovery Zone Bonds
To Special Revenue-Administratively Restricted Fund IX		1,000	Foodservices
From Internal Service Fund II	25,000	-	LaneStarter
TOTAL	\$ 25,000	\$ 1,061,668	
SPECIAL REVENUE-G/C FUND VIII			
To General Fund I	\$	\$ 4,000	Transfer authority contingency
TOTAL	\$ -	\$ 4,000	
SPECIAL REVENUE-ADMINISTRATIVELY RESTRICTED FUND IX			
To General Fund I	\$	\$ 21,600	ASLCC cultural programs \$3,600; Open Educational Resources Lead \$18,000
To Debt Service Fund III		27,315	Debt Service for Flight Technology Loan
To Capital Projects Fund IV		227,600	Transportation and Parking \$150,000; Longhouse \$77,600
From General Fund I	1,164,170		Athletics \$236,569; Child & Family Education \$479,935; KLCC \$200,000; Specialized Support Services \$100,000; Torch \$87,666; Flight Technology \$60,000
From Internal Service Fund II	25,000	-	LaneStarter
From Enterprise Fund VI	1,000		Foodservices
TOTAL	\$ 1,190,170	\$ 276,515	
TOTAL TRANSFERS - ALL FUNDS	\$ 4,100,131	\$ 4,100,131	

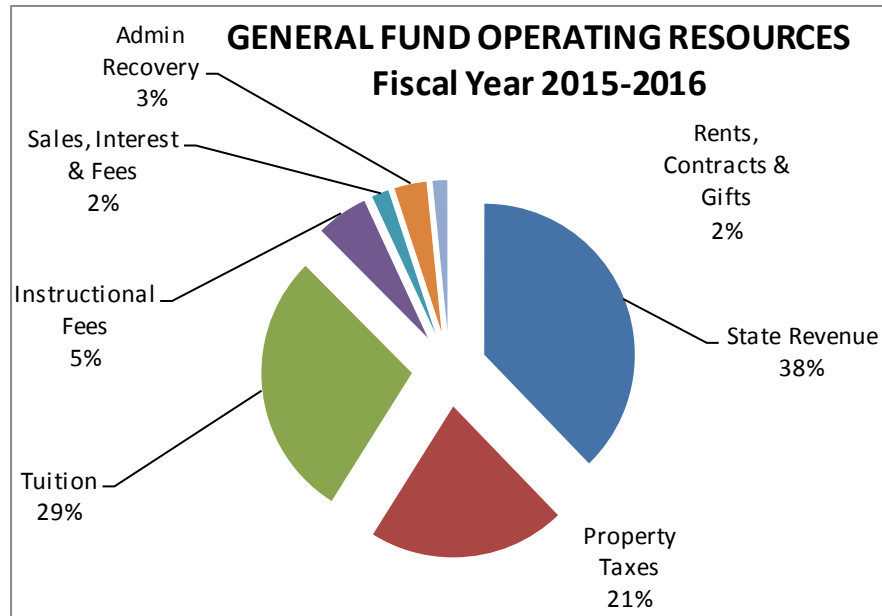


GENERAL FUND I

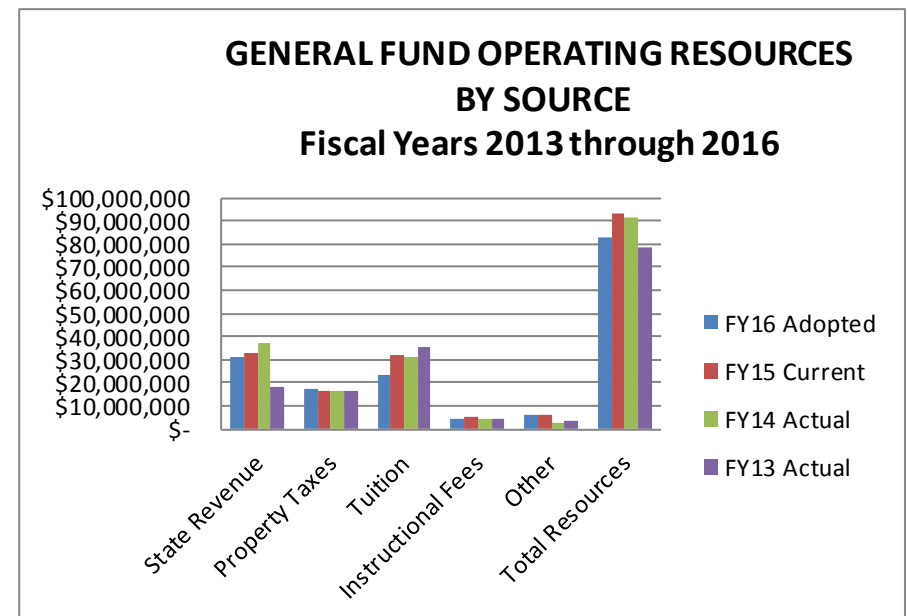
SPECIAL REVENUE FUND IX: ADMINISTRATIVELY RESTRICTED

General Fund I

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
RESOURCES						
Intergovernmental^	\$ 48,435,000	\$ 48,435,000	\$ 48,435,000	\$ 49,377,000	\$ 53,283,396	\$ 34,445,243
Tuition & Fees:						
Tuition	23,485,800	23,485,800	23,485,800	32,164,100	31,443,694	35,483,320
Instructional Fees	4,570,672	4,570,672	4,570,672	4,758,828	4,011,888	4,358,281
Other Sources:						
Sale of Goods & Services	637,452	637,452	637,452	651,916	438,112	388,000
Interest Income	300,000	300,000	300,000	300,000	155,576	164,466
Fees	580,050	580,050	580,050	336,300	797,518	793,652
Administrative Recovery	2,850,000	2,850,000	2,850,000	3,538,682	571,061	1,128,390
Rents, Contracts, Gifts, Bad Debt Recovery, Chargebacks	1,312,500	1,312,500	1,312,500	1,457,064	686,102	978,351
Transfer In Internal Service Fund II	3,500	3,500	3,500	3,500	-	1,000
Transfer In Capital Projects Fund IV	-	-	-	-	19,350	30,242
Transfer In Financial Aid Fund V	50,000	50,000	50,000	50,000	50,000	50,000
Transfer In Enterprise Fund VI	301,668	301,668	301,668	332,095	116,485	910,859
Transfer In Special Revenue Fund VIII	4,000	4,000	4,000	4,000	-	-
Transfer In Special Revenue- Administratively Restricted Fund IX	21,600	21,600	21,600	21,600	18,264	21,600
Total Operating Revenues	\$ 82,552,242	\$ 82,552,242	\$ 82,552,242	\$ 92,995,085	\$ 91,591,446	\$ 78,753,404
Beginning Fund Balance	10,227,839	10,227,839	10,227,839	1,764,706	5,004,549	16,447,343
TOTAL RESOURCES	\$ 92,780,081	\$ 92,780,081	\$ 92,780,081	\$ 94,759,791	\$ 96,595,995	\$ 95,200,747
^ State Revenue	\$ 31,030,000	\$ 31,030,000	\$ 31,030,000	\$ 32,977,000	\$ 36,770,335	\$ 18,147,123
^ Property Taxes	17,405,000	17,405,000	17,405,000	16,400,000	16,513,061	16,298,120



With continuing disinvestment from the state, tuition revenue is now the second largest General Fund resource.



Due to lower state funding and decreased enrollment, tuition has needed to increase to meet operating needs.

GENERAL FUND I

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
EXPENDITURES AND REQUIREMENTS						
Instruction						
Academic Learning Skills	\$ 1,481,951	\$ 1,481,951	\$ 1,481,951	\$ 2,069,507	\$ 2,010,822	\$ 2,275,923
Adult Basic and Secondary Education	1,727,547	1,727,547	1,727,547	1,997,102	1,747,533	1,584,000
Advanced Technologies	3,285,235	3,285,235	3,285,235	3,525,757	3,317,592	3,054,917
Art & Applied Design	2,449,579	2,449,579	2,449,579	2,760,655	3,002,243	3,165,262
Business & Computer Information Technology	2,943,784	2,943,784	2,943,784	3,553,911	3,414,137	3,574,508
Community Education^	678,734	678,734	678,734	854,355	2,273,768	2,374,608
Cooperative Education	1,577,177	1,577,177	1,577,177	1,705,844	1,884,889	1,862,034
Counseling	515,000	515,000	515,000	-	511,574	560,317
Culinary Arts & Hospitality	807,723	807,723	807,723	782,379	814,228	793,008
English as a Second Language	1,360,636	1,360,636	1,360,636	1,375,553	1,641,831	1,444,365
Health & Physical Education	2,378,392	2,378,392	2,378,392	2,782,637	2,616,561	2,860,648
Health Professions	6,862,493	6,862,493	6,862,493	7,314,080	7,321,317	6,951,239
Lane Community College at Cottage Grove	240,032	240,032	240,032	479,787	561,042	632,563
Lane Community College at Florence	844,469	844,469	844,469	642,180	636,765	583,584
Language, Literature and Communication	5,031,279	5,031,279	5,031,279	6,330,372	6,178,693	6,410,189
Non-Departmental	-	-	-	-	117,746	13,436
Mathematics	3,535,061	3,535,061	3,535,061	3,858,862	3,905,892	3,962,727
Music/Dance/Theatre Arts	1,751,330	1,751,330	1,751,330	2,042,411	2,030,191	2,120,724
Science	3,992,569	3,992,569	3,992,569	4,084,951	4,348,051	4,215,682
Social Science	3,421,460	3,421,460	3,421,460	3,469,528	3,466,738	3,749,566
Special Instructional Projects	1,258,560	1,258,560	1,258,560	-	199,856	248,323
Total Instruction	\$ 46,143,010	\$ 46,143,010	\$ 46,143,010	\$ 49,629,873	\$ 52,001,468	\$ 52,437,623

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GENERAL FUND I

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
Instructional Support						
Academic & Student Affairs Office	\$ 1,414,963	\$ 1,414,963	\$ 1,414,963	\$ 1,182,178	\$ 1,098,566	\$ 1,542,857
Academic Technology	1,480,032	1,480,032	1,480,032	1,450,314	1,325,205	1,401,722
Grant Coordination	288,312	288,312	288,312	232,884	253,103	234,780
High School Connections	308,825	308,825	308,825	209,004	300,492	287,716
Library	1,288,810	1,288,810	1,288,810	1,317,432	1,229,944	1,219,194
Non-Departmental	-	-	-	-	4,110	-
Professional Development - Faculty	394,818	394,818	394,818	439,613	219,588	209,555
Special Instructional Projects	882,980	882,980	882,980	560,185	526,275	331,414
Total Instructional Support	\$ 6,058,741	\$ 6,058,741	\$ 6,058,741	\$ 5,391,610	\$ 4,957,288	\$ 5,227,238
Student Services						
Conference & Culinary Services	\$ 291,069	\$ 291,069	\$ 291,069	\$ 244,522	\$ 109,033	\$ 385,914
Counseling	2,917,475	2,917,475	2,917,475	3,431,362	2,940,889	2,874,776
Center for Accessible Resources	763,507	763,507	763,507	844,228	785,054	858,711
Enrollment & Student Financial Services	1,714,713	1,714,713	1,714,713	2,239,165	2,054,571	1,986,041
Financial Aid	1,497,863	1,497,863	1,497,863	1,037,071	1,141,954	1,103,679
High School Connections	100,371	100,371	100,371	91,130	10,609	-
Non-Departmental	-	-	-	-	53,682	8,988
Student Life & Leadership Development	762,824	762,824	762,824	728,242	717,486	671,430
Student Success Projects	116,400	116,400	116,400	120,000	-	-
Women's Program	482,726	482,726	482,726	498,977	505,181	508,694
Workforce Development	195,699	195,699	195,699	-	-	-
Total Student Services	\$ 8,842,646	\$ 8,842,646	\$ 8,842,646	\$ 9,234,698	\$ 8,318,460	\$ 8,398,234

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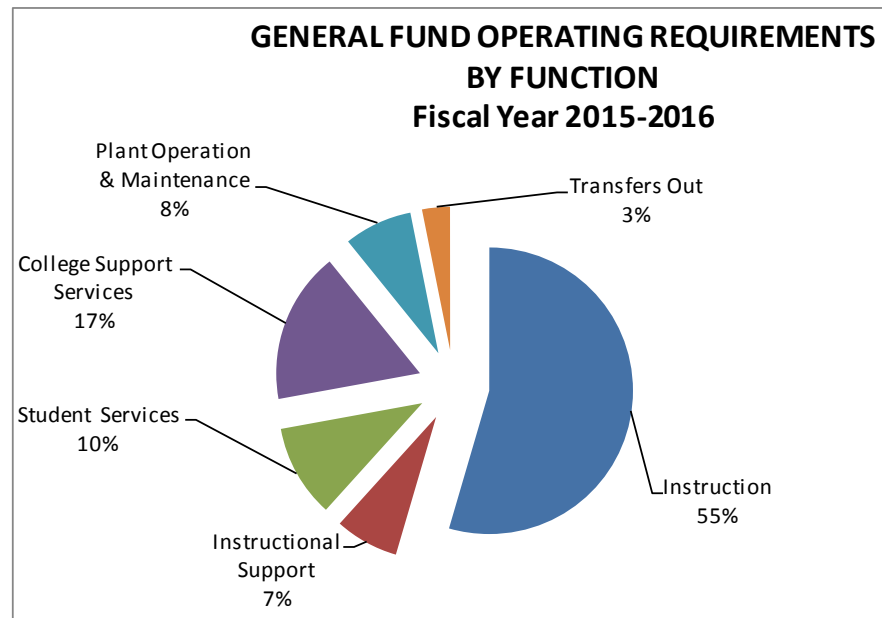
GENERAL FUND I

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
College Support Services						
Archives & Records Management	\$ 31,846	\$ 31,846	\$ 31,846	\$ 38,182	\$ 2,735	\$ 44,009
Board of Education	20,000	20,000	20,000	20,000	41,348	36,229
College Finance	1,181,769	1,181,769	1,181,769	1,040,532	979,572	1,069,969
College Services	1,369,088	1,369,088	1,369,088	1,234,642	1,236,273	891,895
Curriculum & Scheduling	173,366	173,366	173,366	181,007	167,905	257,520
Governance & Administration	437,500	437,500	437,500	384,190	263,750	341,105
Human Resources	1,438,087	1,438,087	1,438,087	1,399,037	1,409,626	1,344,440
Infrastructure Technology	4,190,819	4,190,819	4,190,819	4,303,939	4,001,963	4,292,744
Institutional Research, Assessment & Planning	635,564	635,564	635,564	580,416	600,365	769,251
Institute for Sustainable Practices	412,391	412,391	412,391	405,763	108,194	348,584
Lane Community College Foundation	679,134	679,134	679,134	644,281	625,613	570,221
Legal, Accounting & Administrative	496,750	496,750	496,750	1,624,500	1,000,363	1,018,772
Mail Services	162,953	162,953	162,953	169,148	215,789	195,931
Marketing & Public Relations	646,981	646,981	646,981	596,190	622,008	653,536
Non-Departmental	-	-	-	-	(2,239,134)	(160,534)
President's Office	1,193,769	1,193,769	1,193,769	1,166,278	1,150,637	1,197,101
Public Safety	1,377,980	1,377,980	1,377,980	1,366,041	1,321,609	1,409,504
Total College Support Services	\$ 14,447,997	\$ 14,447,997	\$ 14,447,997	\$ 15,154,147	\$ 11,508,611	\$ 14,280,278
Plant Operation & Maintenance						
Facilities Management & Planning	\$ 6,488,782	\$ 6,488,782	\$ 6,488,782	\$ 6,139,544	\$ 6,390,815	\$ 6,362,987
Total Plant Operation & Maintenance	\$ 6,488,782	\$ 6,488,782	\$ 6,488,782	\$ 6,139,544	\$ 6,390,815	\$ 6,362,987
Financial Aid						
Financial Aid Transfer	\$ -	\$ -	\$ -	\$ -	\$ 47,641	\$ -
Total Financial Aid	\$ -	\$ -	\$ -	\$ -	\$ 47,641	\$ -

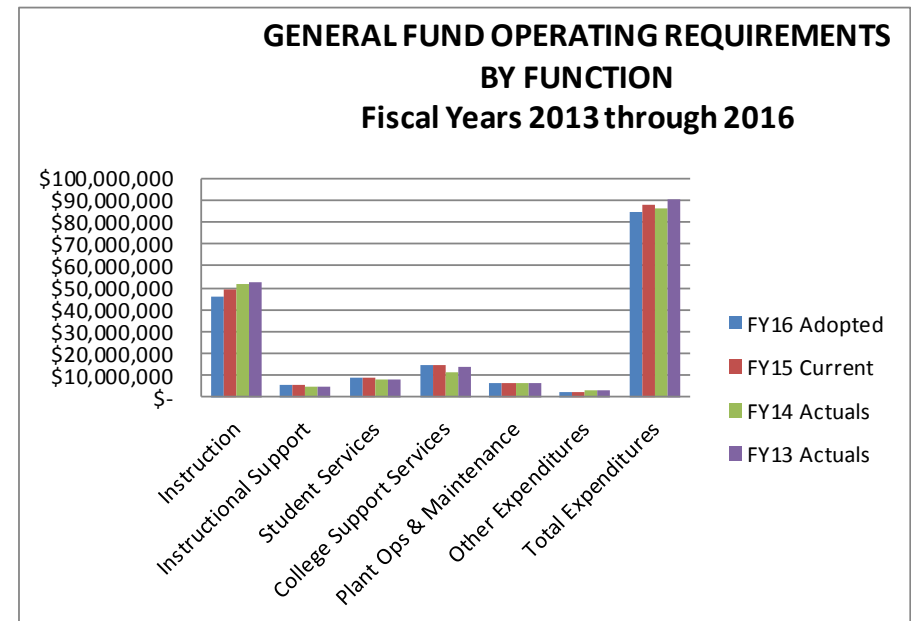
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GENERAL FUND I

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
Transfer Out To:						
Internal Service Fund II	\$ 349,930	\$ 349,930	\$ 349,930	\$ 354,435	\$ 305,794	\$ 371,065
Debt Service Fund III	103,550	103,550	103,550	142,370	75,000	-
Capital Projects Fund IV	1,036,798	1,036,798	1,036,798	769,000	1,206,668	1,512,401
Enterprise Fund VI	-	-	-	-	-	164,539
Special Revenue-Administratively						
Restricted Fund IX	1,164,170	1,164,170	1,164,170	1,249,709	1,680,374	1,441,833
Total Transfer Out	\$ 2,654,448	\$ 2,654,448	\$ 2,654,448	\$ 2,515,514	\$ 3,315,477	\$ 3,489,838
Contingency						
Projects/Provisions	\$ 3,940,350	\$ 3,940,350	\$ 3,940,350	\$ 3,794,405	\$ -	\$ -
Total Contingency	\$ 3,940,350	\$ 3,940,350	\$ 3,940,350	\$ 3,794,405	\$ -	\$ -
Total Operating Expenditures	\$ 88,575,974	\$ 88,575,974	\$ 88,575,974	\$ 91,859,791	\$ 86,492,119	\$ 90,196,198
Unappropriated Ending Fund Balance (UEFB)	4,204,107	4,204,107	4,204,107	2,900,000	-	-
TOTAL EXPENDITURES AND REQUIREMENTS - GENERAL FUND I	\$ 92,780,081	\$ 92,780,081	\$ 92,780,081	\$ 94,759,791	\$ 86,492,119	\$ 90,196,198
SUMMARY OF GENERAL FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 82,552,242	\$ 82,552,242	\$ 82,552,242	\$ 92,995,085	\$ 91,591,446	\$ 78,753,404
Less: Total Operating Expenditures	(92,780,081)	(92,780,081)	(92,780,081)	(94,759,791)	(86,492,119)	(90,196,198)
Revenues over/under, Expenditures	\$ (10,227,839)	\$ (10,227,839)	\$ (10,227,839)	\$ (1,764,706)	\$ 5,099,327	\$ (11,442,794)
Beginning Fund Balance	10,227,839	10,227,839	10,227,839	1,764,706	5,004,549	16,447,343
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 10,103,876	\$ 5,004,549



The budget for instruction utilizes more than half of the General Fund budget.



This graph illustrates how funding levels allocated between expense functions have been relatively constant.

General Fund Requirements By Expense Category

	Fiscal Year 2015-2016 ADOPTED Budget	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Instruction							
Academic Learning Skills	\$ 1,481,951	\$ 1,422,576	\$ 59,375	-	-	-	-
Adult Basic and Secondary Education	1,727,547	1,663,132	64,415	-	-	-	-
Advanced Technologies	3,285,235	2,895,784	360,651	28,800	-	-	-
Art & Applied Design	2,449,579	2,220,643	228,936	-	-	-	-
Business & Computer Information Technologies	2,943,784	2,653,548	290,236	-	-	-	-
Community Education	678,734	658,734	20,000	-	-	-	-
Cooperative Education	1,577,177	1,506,885	40,292	30,000	-	-	-
Counseling	515,000	515,000	-	-	-	-	-
Culinary Arts & Hospitality	807,723	555,588	252,135	-	-	-	-
English as a Second Language	1,360,636	1,315,446	45,190	-	-	-	-
Health & Physical Education	2,378,392	1,964,611	413,781	-	-	-	-
Health Professions	6,862,493	5,919,143	943,350	-	-	-	-
Lane Community College at Cottage Grove	240,032	201,114	38,918	-	-	-	-
Lane Community College at Florence	844,469	525,003	319,466	-	-	-	-
Language, Literature & Communication	5,031,279	4,947,154	84,125	-	-	-	-
Mathematics	3,535,061	3,470,926	64,135	-	-	-	-
Music/Dance/Theatre Arts	1,751,330	1,541,475	209,855	-	-	-	-
Science	3,992,569	3,852,087	115,482	25,000	-	-	-
Social Science	3,421,460	3,358,248	63,212	-	-	-	-
Special Instructional Projects	1,258,560	1,258,560	-	-	-	-	-
Total Instruction	\$ 46,143,010	\$ 42,445,656	\$ 3,613,554	\$ 83,800	\$ -	\$ -	\$ -
Instructional Support							
Academic & Student Affairs Office	\$ 1,414,963	\$ 1,319,923	\$ 95,040	\$ -	-	-	-
Academic Technology	1,480,032	1,261,059	218,973	-	-	-	-
Grant Coordination	288,312	283,812	4,500	-	-	-	-
High School Connections	308,825	295,548	13,277	-	-	-	-
Library	1,288,810	1,059,898	136,430	92,482	-	-	-
Professional Development - Faculty	394,818		394,818	-	-	-	-
Special Instructional Projects	882,980	782,380	100,600	-	-	-	-
Total Instructional Support	\$ 6,058,741	\$ 5,002,621	\$ 963,638	\$ 92,482	\$ -	\$ -	\$ -

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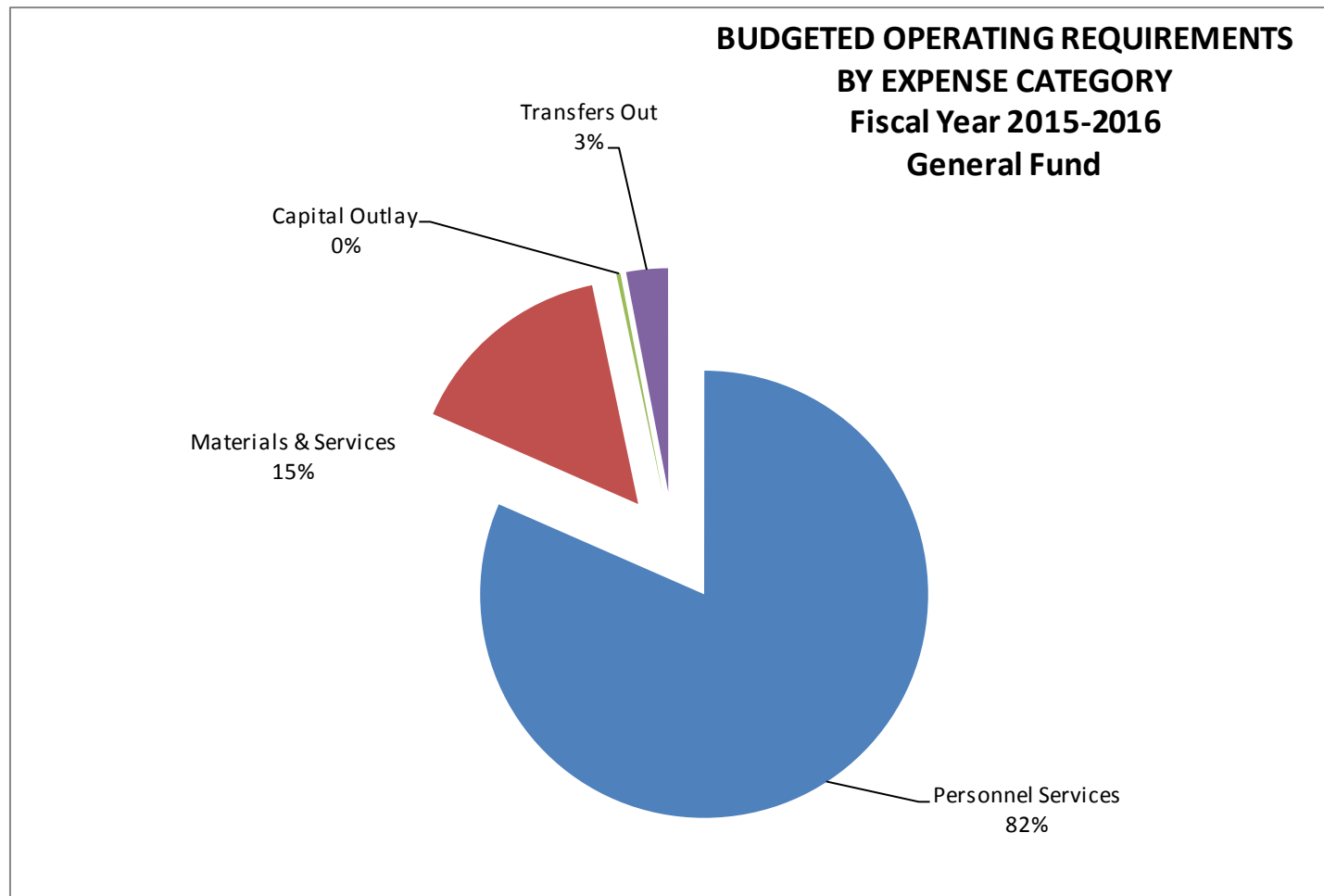
REQUIREMENTS BY EXPENSE CATEGORY - GENERAL FUND I

	Fiscal Year 2015-2016 ADOPTED Budget	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Student Services							
Conference & Culinary Services	\$ 291,069	\$ 291,069	\$ -	\$ -	\$ -	\$ -	\$ -
Counseling	2,917,475	2,690,794	226,681	-	-	-	-
Center for Accessible Resources	763,507	746,347	17,160	-	-	-	-
Enrollment & Student Financial Services	1,714,713	1,507,655	207,058	-	-	-	-
Financial Aid	1,497,863	1,444,363	53,500	-	-	-	-
High School Connections	100,371	78,571	21,800	-	-	-	-
Student Life & Leadership Development	762,824	623,869	138,955	-	-	-	-
Student Success Projects	116,400	-	116,400	-	-	-	-
Women's Program	482,726	470,497	12,229	-	-	-	-
Workforce Development	195,699	190,699	5,000	-	-	-	-
Total Student Services	\$ 8,842,646	\$ 8,043,863	\$ 798,783	\$ -	\$ -	\$ -	\$ -
College Support Services							
Archives & Records Management	\$ 31,846	\$ 27,046	\$ 4,800	\$ -	\$ -	\$ -	\$ -
Board of Education	20,000	-	20,000	-	-	-	-
College Finance	1,181,769	981,919	199,850	-	-	-	-
College Services Office	1,369,088	638,038	731,050	-	-	-	-
Curriculum & Scheduling	173,366	165,991	7,375	-	-	-	-
Governance and Administration	437,500	13,800	423,700	-	-	-	-
Human Resources	1,438,087	1,134,986	303,101	-	-	-	-
Infrastructure Technology	4,190,819	2,886,256	1,231,063	73,500	-	-	-
Institutional Research, Assessment & Planning	635,564	590,924	44,640	-	-	-	-
Institute for Sustainable Practices*	412,391	298,311	114,080	-	-	-	-
Lane Community College Foundation	679,134	679,134	-	-	-	-	-
Legal, Accounting & Administrative	496,750	211,750	285,000	-	-	-	-
Mail Services	162,953	139,353	23,600	-	-	-	-
Marketing & Public Relations	646,981	179,181	467,800	-	-	-	-
President's Office	1,193,769	1,003,519	190,250	-	-	-	-
Public Safety	1,377,980	1,214,111	163,869	-	-	-	-
Total College Support Services	\$ 14,447,997	\$ 10,164,319	\$ 4,210,178	\$ 73,500	\$ -	\$ -	\$ -

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REQUIREMENTS BY EXPENSE CATEGORY - GENERAL FUND I

	Fiscal Year 2015-2016 ADOPTED Budget	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
Plant Operation & Maintenance							
Facilities Management & Planning	\$ 6,488,782	\$ 3,397,703	\$ 3,091,079	\$ -	\$ -	\$ -	\$ -
Total Plant Operation & Maintenance	\$ 6,488,782	\$ 3,397,703	\$ 3,091,079	\$ -	\$ -	\$ -	\$ -
Transfer Out:							
To Internal Services Fund II	\$ 349,930	\$ -	\$ -	\$ -	\$ 349,930	\$ -	\$ -
To Debt Service Fund III	103,550	-	-	-	-	103,550	-
To Capital Projects Fund IV	1,036,798	-	-	-	1,036,798	-	-
To Enterprise Fund VI	-	-	-	-	-	-	-
To Special Revenue-Administratively Restricted Fund IX	1,164,170	-	-	-	1,164,170	-	-
Total Transfer Out	\$ 2,654,448	\$ -	\$ -	\$ -	\$ 2,550,898	\$ 103,550	\$ -
Contingency							
Projects/Provisions	\$ 3,940,350	\$ 500,000		\$ 700,000			\$ 2,740,350
Unappropriated Ending Fund Balance (UEFB)	4,204,107	-	-	-	-	-	4,204,107
Total Contingency	8,144,457	\$ 500,000	\$ -	\$ 700,000	\$ -	\$ -	\$ 6,944,457
Total - General Fund Functions	\$ 92,780,081	\$ 69,554,163	\$ 12,677,232	\$ 949,782	\$ 2,550,898	\$ 103,550	\$ 6,944,457
SUMMARY OF GENERAL FUND RESOURCES AND REQUIREMENTS							
Total Operating Revenues	\$ 82,552,242						
Less: Total Operating Expenditures	(92,780,081)						
Revenues, over/under, Expenditures	\$ (10,227,839)						
Beginning Fund Balance	10,227,839						
Ending Fund Balance	\$ -						



Personnel Services remains the largest expenditure component.

Special Revenue Fund IX – Administratively Restricted

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
RESOURCES						
Intergovernmental	\$ 80,000	\$ 80,000	\$ 80,000	\$ 1,030,000	\$ 30,395	\$ 226,724
Tuition & Fees:						
Tuition	315,021	315,021	315,021	437,450	375,169	467,987
Instructional Fees	2,736,727	2,736,727	2,736,727	2,779,901	1,626,756	1,874,365
Non-Mandatory Fees	571,500	571,500	571,500	582,580	614,053	570,960
Other Fees & Charges	845,500	845,500	845,500	723,500	640,418	663,421
Sale of Goods and Services	2,182,671	2,182,671	2,182,671	1,148,771	1,860,648	1,909,874
Interest Income	9,000	9,000	9,000	9,000	3,023	4,430
Contracts, Gifts, Donations	1,895,553	1,895,553	1,895,553	1,519,147	1,251,193	1,402,733
Fees - Student Health Clinic	500,000	500,000	500,000	500,000	378,492	443,928
Fees - Technology	1,600,000	1,600,000	1,600,000	1,900,000	1,794,273	2,075,930
Fees - Transportation	977,400	977,400	977,400	1,050,960	966,171	1,107,328
Transfer In General Fund I	1,164,170	1,164,170	1,164,170	1,249,709	1,680,374	1,441,533
Transfer In Internal Services Fund II	25,000	25,000	25,000	-	-	-
Transfer In Enterprise Fund VI	1,000	1,000	1,000	1,000	-	-
Transfer Special Revenue-Administratively Restricted Fund IX	-	-	-	-	-	300
TOTAL OPERATING REVENUES	\$ 12,903,542	\$ 12,903,542	\$ 12,903,542	\$ 12,932,018	\$ 11,220,963	\$ 12,189,513

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SPECIAL REVENUE FUND IX - ADMINISTRATIVELY RESTRICTED

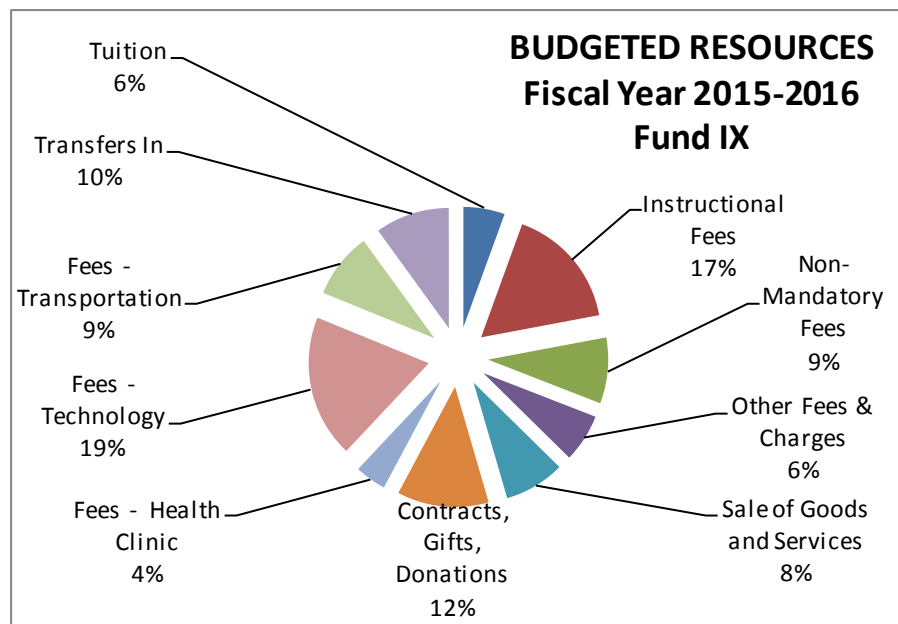
	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
EXPENDITURES AND REQUIREMENTS						
Instruction						
Advanced Technologies	\$ 3,750	\$ 3,750	\$ 3,750	\$ 4,750	\$ 4,272	\$ 11,922
Child & Family Education	377,205	377,205	377,205	367,209	387,859	350,063
Continuing Education	1,684,524	1,684,524	1,684,524	1,635,000	57,250	51,427
Contract Training	149,550	149,550	149,550	275,000	54,857	97,943
Flight Technology	1,052,925	1,052,925	1,052,925	1,031,268	1,147,857	1,147,939
Institute for Sustainable Practices*	740,338	740,338	740,338	756,000	725,490	809,084
Non-Departmental	-	-	-	-	140	945
Non-Reimbursed Instruction	69,725	69,725	69,725	64,473	30,192	20,945
Specialized Support Services	1,424,681	1,424,681	1,424,681	1,524,681	1,591,303	1,597,909
Student Restaurant	17,000	17,000	17,000	12,000	11,953	11,322
Technology Fee	1,270,371	1,270,371	1,270,371	2,013,994	519,163	449,110
Total Instruction	\$ 6,790,069	\$ 6,790,069	\$ 6,790,069	\$ 7,684,375	\$ 4,530,264	\$ 4,548,609
Instructional Support						
Academic Technology-TRP	55,618	55,618	\$ 55,618	\$ 55,618	\$ 3,062	\$ 11,291
OSBDCN	15,000	15,000	15,000	15,000	-	-
Regional Technical Education Consortium	101,000	101,000	101,000	89,000	99,530	99,458
Technology Fee	672,059	672,059	672,059	752,982	1,190,567	855,014
Total Instructional Support	\$ 843,677	\$ 843,677	\$ 843,677	\$ 912,600	\$ 1,293,158	\$ 965,763
Student Services						
ASLCC	\$ 746,337	\$ 746,337	\$ 746,337	\$ 803,921	\$ 630,094	\$ 717,232
Athletics	795,675	795,675	795,675	734,028	633,410	627,555
Child & Family Education	860,180	860,180	860,180	849,540	930,919	1,031,207
Health Clinic	1,665,229	1,665,229	1,665,229	1,631,000	850,819	794,429
Non-Departmental	-	-	-	-	-	104,006
Student Productions Association	46,739	46,739	46,739	47,108	38,689	32,432
Technology Fee	-	-	-	-	177,841	55,564
The Torch	222,987	222,987	222,987	228,652	176,443	209,804
Women's Programs	120,260	120,260	120,260	128,184	82,514	78,134
Totals Student Services	\$ 4,457,407	\$ 4,457,407	\$ 4,457,407	\$ 4,422,433	\$ 3,520,801	\$ 3,650,363

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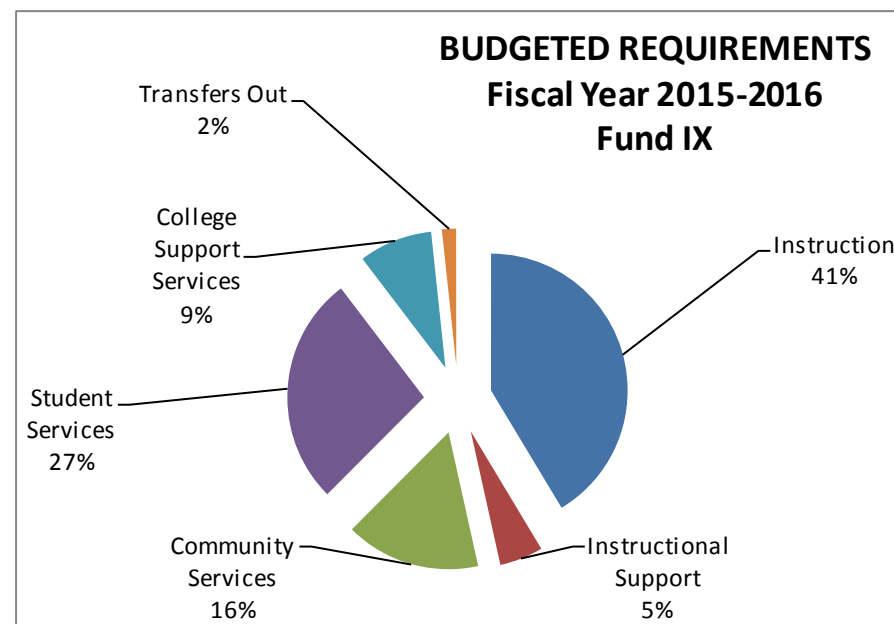
SPECIAL REVENUE FUND IX - ADMINISTRATIVELY RESTRICTED

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
Community Services						
KLCC FM Operations	\$ 1,921,000	\$ 1,921,000	\$ 1,921,000	\$ 1,701,064	\$ 1,736,559	\$ 1,592,854
KLCC FM Quasi-Endowment	700,000	700,000	700,000	700,000	-	-
Total Community Services	\$ 2,621,000	\$ 2,621,000	\$ 2,621,000	\$ 2,401,064	\$ 1,736,559	\$ 1,592,854
College Support Services						
Health Clinic*	\$ -	\$ -	\$ -	\$ 504,000	\$ 263,913	\$ 166,327
LaneStarter	25,000	25,000	25,000	-	-	-
Non-Departmental	-	-	-	-	279,350	16,633
Technology Fee	137,569	137,569	137,569	136,155	382,217	434,525
Transportation	1,261,872	1,261,872	1,261,872	1,320,960	878,414	885,295
Total College Support Services	\$ 1,424,441	\$ 1,424,441	\$ 1,424,441	\$ 1,961,115	\$ 1,803,894	\$ 1,502,780
Transfers Out:						
To General Fund I	\$ 21,600	\$ 21,600	\$ 21,600	\$ 21,600	\$ 18,264	\$ 21,600
To Debt Service Fund III	27,315	27,315	27,315	23,867	25,000	-
To Capital Projects Fund IV	227,600	227,600	227,600	224,489	230,268	359,125
To Financial Aid Fund V	-	-	-	-	90,024	88,560
Total Transfers Out	\$ 276,515	\$ 276,515	\$ 276,515	\$ 269,956	\$ 363,556	\$ 469,285
Contingency						
Projects/Provisions	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -
Total Contingency	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -
TOTAL EXPENDITURES AND REQUIREMENTS	\$ 16,663,109	\$ 16,663,109	\$ 16,663,109	\$ 17,651,543	\$ 13,248,233	\$ 12,729,654
<u>SUMMARY OF SPEC REV-ADM RESTRICTED FUND</u>						
<u>RESOURCES AND REQUIREMENTS</u>						
Total Operating Revenues	\$ 12,903,542	\$ 12,903,542	\$ 12,903,542	\$ 12,932,018	\$ 11,220,963	\$ 12,189,513
Less: Total Operating Expenditures	(16,663,109)	(16,663,109)	(16,663,109)	(17,651,542)	(13,248,233)	(12,729,654)
Revenues, over/under, Expenditures	\$ (3,759,565)	\$ (3,759,565)	\$ (3,759,565)	\$ (4,719,524)	\$ (2,027,268)	\$ (540,142)
Beginning Fund Balance	3,759,565	3,759,565	3,759,565	4,719,524	9,830,638	10,370,780
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 7,803,370	\$ 9,830,638

*Student Health Services and Staff Health Services have been combined into Health Clinic



Tuition and various fees and charges constitute 70% of resources to Fund IX.



This graph shows that 82% of budgeted requirements, after excluding Community Services and Transfer Out, are related to student support.

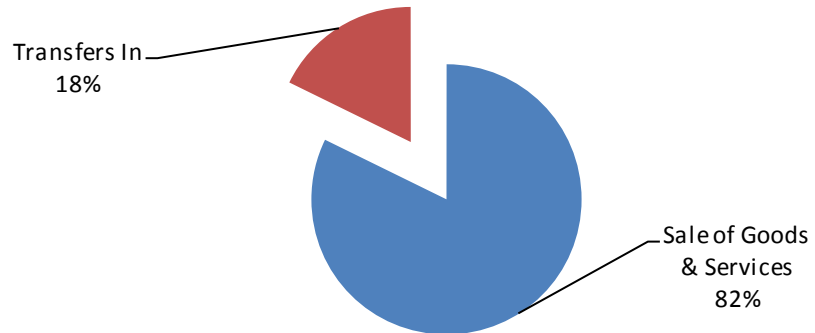


INTERNAL SERVICE FUND II
DEBT SERVICE FUND III
CAPITAL PROJECTS FUND IV
FINANCIAL AID FUND V
ENTERPRISE FUND VI
SPECIAL REVENUE FUND VIII

Internal Service Fund II

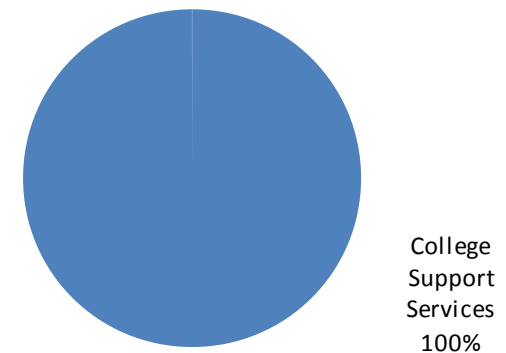
	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
RESOURCES						
Other Sources:						
Sale of Goods & Services	\$ 1,622,500	\$ 1,622,500	\$ 1,622,500	\$ 1,982,500	\$ 1,101,830	\$ 1,112,559
Transfer In General Fund I	349,930	349,930	349,930	354,435	305,794	371,065
TOTAL OPERATING REVENUES	\$ 1,972,430	\$ 1,972,430	\$ 1,972,430	\$ 2,336,935	\$ 1,407,624	\$ 1,483,624
EXPENDITURES AND REQUIREMENTS						
College Support Services						
Employee Wellness Program	\$ 145,847	\$ 145,847	\$ 145,847	\$ 148,300	\$ 158,652	\$ 160,237
Motor Pool	67,500	67,500	67,500	67,500	10,450	28,547
Printing & Graphics	650,000	650,000	650,000	1,075,000	547,921	791,296
Telephone Services	808,536	808,536	808,536	836,700	424,379	468,745
Warehouse Services	418,000	418,000	418,000	418,000	261,769	113,557
Transfer Out						
To General Fund I	3,500	3,500	3,500	3,500	-	1,000
To Enterprise Fund VI	25,000	25,000	25,000	-	-	-
To Special Revenue-Administratively Restricted Fund IX	25,000	25,000	25,000	-	-	-
TOTAL EXPENDITURES AND REQUIREMENTS	\$ 2,143,383	\$ 2,143,383	\$ 2,143,383	\$ 2,549,000	\$ 1,403,171	\$ 1,563,382
SUMMARY OF INTERNAL SERVICE FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 1,972,430	\$ 1,972,430	\$ 1,972,430	\$ 2,336,935	\$ 1,407,624	\$ 1,483,624
Less: Total Operating Expenditures	(2,143,383)	(2,143,383)	(2,143,383)	(2,549,000)	(1,403,171)	(1,563,382)
Revenues, over/under, Expenditures	\$ (170,953)	\$ (170,953)	\$ (170,953)	\$ (212,065)	\$ 4,454	\$ (79,758)
Beginning Fund Balance	170,953	170,953	170,953	212,065	458,911	538,670
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 463,365	\$ 458,911

BUDGETED RESOURCES
Fiscal Year 2015-2016
Internal Service - Fund II



The Internal Service Fund II includes functions that exist primarily to provide good or services to other instructional or administrative units of the college.

BUDGETED REQUIREMENTS
Fiscal Year 2015-2016
Internal Service - Fund II



Services provided out of this fund include the Employee Wellness Program, Motor Pool, Printing & Graphics, Telephone and Warehouse Services.

Debt Service Fund III

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
<u>CONSOLIDATED DEBT SERVICE</u>						
<u>Resources</u>						
Property Taxes	\$ 6,070,435	\$ 6,070,435	\$ 6,070,435	\$ 6,730,450	\$ 6,747,582	\$ 6,525,669
Interest Income	340	340	340	-	2,717	683
Other Income	4,444,250	4,444,250	4,444,250	4,229,250	4,024,250	3,824,000
TOTAL RESOURCES	\$ 10,515,025	\$ 10,515,025	\$ 10,515,025	\$ 10,959,700	\$ 10,774,549	\$ 10,350,351
<u>EXPENDITURES AND REQUIREMENTS</u>						
Debt Service	\$ (12,404,890)	\$ (12,404,890)	\$ (12,404,890)	\$ (11,902,379)	\$ (11,541,726)	\$ (10,968,974)
Revenues over-(under) expenditures	\$ (1,889,865)	\$ (1,889,865)	\$ (1,889,865)	\$ (942,679)	\$ (767,177)	\$ (618,623)
<u>Other Financing sources-(uses):</u>						
Transfers In	\$ 889,865	\$ 889,865	\$ 889,865	\$ 942,679	\$ 876,442	\$ 539,196
Changes in fund balance	\$ (1,000,000)	\$ (1,000,000)	\$ (1,000,000)	\$ -	\$ 109,265	\$ (79,427)
Fund balance - July 1	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 1,396,367	\$ 1,475,794
Fund balance - June 30	\$ -	\$ -	\$ -	\$ -	\$ 1,505,632	\$ 1,396,367

- Continued -

DEBT SERVICE FUND III

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
FLIGHT SERVICE TECHNOLOGY DEBT SERVICE						
Transfer In Special Revenue-Administratively Restricted						
Fund IX	\$ 27,315	\$ 27,315	\$ 27,315	\$ 23,867	\$ 25,000	\$ -
TOTAL OPERATING REVENUES	27,315	27,315	27,315	23,867	25,000	-
EXPENDITURES AND REQUIREMENTS						
Principal Payments	\$ 20,823	\$ 20,823	\$ 20,823	\$ 17,418	\$ 16,415	\$ -
Interest Expense	6,492	6,492	6,492	6,449	6,325	-
TOTAL EXPENDITURES AND REQUIREMENTS	\$ 27,315	\$ 27,315	\$ 27,315	\$ 23,867	\$ 22,740	\$ -
SUMMARY OF FLIGHT SERVICE TECHNOLOGY DEBT SERVICE						
Total Operating Revenues	\$ 27,315	\$ 27,315	\$ 27,315	\$ 23,867	\$ 25,000	\$ -
Less: Total Operating Expenditures	(27,315)	(27,315)	(27,315)	(23,867)	(22,740)	-
Revenues, over/under, Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 2,260	\$ -
Beginning Fund Balance	-	-	-	-	-	-
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,260	\$ -

In September 2013, Lane Community College financed two new airplanes for our Flight Technology Program. The expected benefits of these airplanes are lower fuel costs, high reliability, low down-time and industry standard equipment that will better prepare students for the equipment they will be using after graduation. The debt service for this loan is to be paid by an interfund transfer from Fund IX so there is no impact on the General Fund. It is expected that the planes will pay for themselves within 5 years. The loan will be fully paid September 15, 2023.

- Continued -

DEBT SERVICE FUND III

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
<u>QUALIFIED ENERGY CONSERVATION BONDS</u>						
Transfer In General Fund I	\$ 103,550	\$ 103,550	\$ 103,550	\$ 142,370	\$ 75,000	\$ -
TOTAL OPERATING REVENUES	103,550	103,550	103,550	142,370	75,000	-
<u>EXPENDITURES AND REQUIREMENTS</u>						
Principal Payments	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 75,000	\$ 75,000
Interest Expense	23,550	23,550	23,550	62,370	46,201	20,137
TOTAL EXPENDITURES AND REQUIREMENTS	\$ 103,550	\$ 103,550	\$ 103,550	\$ 142,370	\$ 121,201	\$ 95,137
<u>SUMMARY OF QUALIFIED ENERGY CONSERVATION BONDS</u>						
Total Operating Revenues	\$ 103,550	\$ 103,550	\$ 103,550	\$ 142,370	\$ 75,000	\$ -
Less: Total Operating Expenditures	(103,550)	(103,550)	(103,550)	(142,370)	(121,201)	(95,137)
Revenues, over/under, Expenditures	\$ -	\$ -	\$ -	\$ -	\$ (46,201)	\$ (95,137)
Beginning Fund Balance	-	-	-	-	(95,137)	-
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ (141,338)	\$ (95,137)

On June 13, 2012 the Board of Directors adopted resolution #577 approving Lane Community College to enter into a financing agreement with the State of Oregon in the amount of \$1,500,000. The purpose of this loan is to finance a solar hot water system, a geothermal mechanical system, geothermal drilling, passive ventilation and related architectural permit and design costs for our new Downtown Center. This note will be fully paid in 2027.

- Continued -

DEBT SERVICE FUND III

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
GENERAL OBLIGATION BONDS, 2012						
RESOURCES						
Property Taxes	\$ 6,070,435	\$ 6,070,435	\$ 6,070,435	\$ 6,730,450	\$ 6,747,582	\$ 6,525,669
Interest	340	340	340	-	2,486	463
TOTAL OPERATING REVENUES	\$ 6,070,775	\$ 6,070,775	\$ 6,070,775	\$ 6,730,450	\$ 6,750,068	\$ 6,526,131
EXPENDITURES AND REQUIREMENTS						
Principal Payments	\$ 4,615,000	\$ 4,615,000	\$ 4,615,000	\$ 4,155,000	\$ 3,930,000	\$ 3,690,000
Interest Expense	2,455,775	2,455,775	2,455,775	2,575,450	2,701,898	2,615,083
TOTAL EXPENDITURES AND REQUIREMENTS	\$ 7,070,775	\$ 7,070,775	\$ 7,070,775	\$ 6,730,450	\$ 6,631,898	\$ 6,305,083
SUMMARY OF GENERAL OBLIGATION BONDS, 2012						
Total Operating Revenues	\$ 6,070,775	\$ 6,070,775	\$ 6,070,775	\$ 6,730,450	\$ 6,750,068	\$ 6,526,131
Less: Total Operating Expenditures	(7,070,775)	(7,070,775)	(7,070,775)	(6,730,450)	(6,631,898)	(6,305,083)
Revenues, over/under, Expenditures	\$ (1,000,000)	\$ (1,000,000)	\$ (1,000,000)	\$ -	\$ 118,170	\$ 221,049
Beginning Fund Balance	1,000,000	1,000,000	1,000,000	-	1,396,019	1,174,970
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ 1,514,189	\$ 1,396,019

On November 4, 2008 voters approved authority for the College to issue \$83 million in general obligation bonds to be used to renovate outdated infrastructure and instructional technology. In June 2009, the College issued Series 2009 General Obligation Bonds in the original amount of \$45 million and in August 2012, the College issued \$38 million in Series 2012 General Obligation Bonds.

- Continued -

DEBT SERVICE FUND III**RECOVERY ZONE BONDS, 2010****RESOURCES**

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
Transfer In Enterprise Fund VI	\$ 759,000	\$ 759,000	\$ 759,000	\$ 776,442	\$ 776,442	\$ 539,196
TOTAL OPERATING REVENUES	759,000	759,000	759,000	776,442	776,442	539,196

EXPENDITURES AND REQUIREMENTS

Interest Expense	\$ 759,000	\$ 759,000	\$ 759,000	\$ 776,442	\$ 741,637	\$ 744,505
TOTAL EXPENDITURES AND REQUIREMENTS	759,000	759,000	759,000	776,442	741,637	744,505

SUMMARY OF RECOVERY ZONE BONDS, 2010

Total Operating Revenues	\$ 759,000	\$ 759,000	\$ 759,000	\$ 776,442	\$ 776,442	\$ 539,196
Less: Total Operating Expenditures	(759,000)	(759,000)	(759,000)	(776,442)	(741,637)	(744,505)
Revenues, over/under, Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 34,805	\$ (205,309)
Beginning Fund Balance	-	-	-	-	(25,567)	179,742
Ending Balance	-	-	-	-	\$ 9,238	\$ (25,567)

On December 2010, the College issued \$19,355,000 of Full Faith and Credit Obligations, Series 2010. The College irrevocably elected to designate the Obligations as "Recovery Zone Economic Development Bonds" under the provisions of the American Recovery and Reinvestment Act of 2009. These bonds were issued to finance the costs of capital improvements for the College's student housing project, to pay capitalized interest and to pay the costs of issuance of the bonds.

- Continued -

DEBT SERVICE FUND III

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
<u>PENSION OBLIGATION BONDS</u>						
<u>RESOURCES</u>						
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ 231	\$ 220
Revenue Allocation - Employee Fringe	4,444,250	4,444,250	4,444,250	4,229,250	4,024,250	3,824,000
TOTAL OPERATING REVENUES	\$ 4,444,250	\$ 4,444,250	\$ 4,444,250	\$ 4,229,250	\$ 4,024,481	\$ 3,824,220
<u>EXPENDITURES AND REQUIREMENTS</u>						
Principal Payments	\$ 2,915,000	\$ 2,915,000	\$ 2,915,000	\$ 2,700,000	\$ 1,382,205	\$ 1,369,931
Interest Expense	1,529,250	1,529,250	1,529,250	1,529,250	2,642,044	2,454,318
TOTAL EXPENDITURES AND REQUIREMENTS	\$ 4,444,250	\$ 4,444,250	\$ 4,444,250	\$ 4,229,250	\$ 4,024,250	\$ 3,824,250
<u>SUMMARY OF PENSION OBLIGATION BONDS</u>						
Total Operating Revenues	\$ 4,444,250	\$ 4,444,250	\$ 4,444,250	\$ 4,229,250	\$ 4,024,481	\$ 3,824,220
Less: Total Operating Expenditures	(4,444,250)	(4,444,250)	(4,444,250)	(4,229,250)	(4,024,250)	(3,824,250)
Revenues, over/under, Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 231	\$ (30)
Beginning Fund Balance	-	-	-	-	121,052	121,082
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ 121,283	\$ 121,052

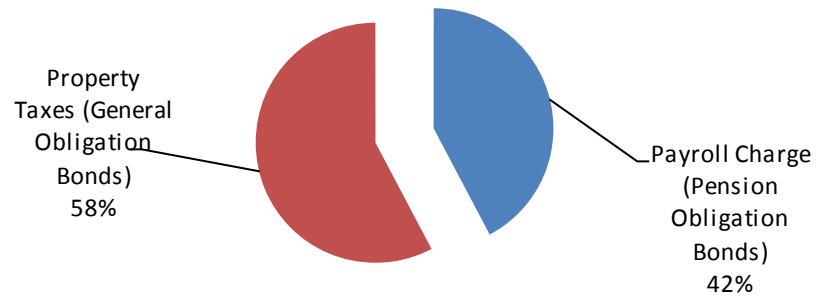
Pension Obligation Bonds include the State of Oregon Public Employees Retirement System requirements, the College's single-employer defined benefit public employee early retirement supplement plan and the College's single-employer defined benefit postemployment health care benefits plan.

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DEBT SERVICE FUND III**SUMMARY OF DEBT SERVICE FUND****RESOURCES AND REQUIREMENTS**

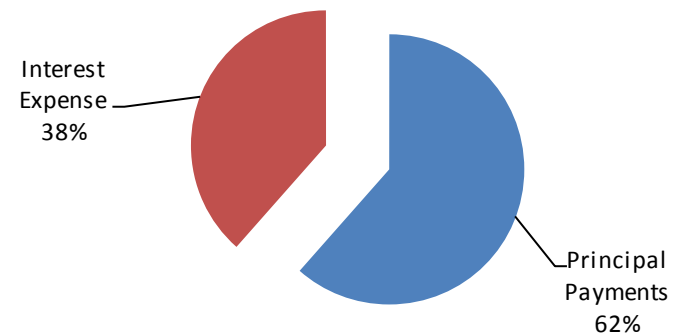
	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
Total Operating Revenues	\$ 11,404,890	\$ 11,404,890	\$ 11,404,890	\$ 11,902,379	\$ 11,650,991	\$ 10,889,547
Less: Total Operating Expenditures	(12,404,890)	(12,404,890)	(12,404,890)	(10,959,700)	(11,541,724)	(10,968,974)
Revenues, over/under, Expenditures	\$ (1,000,000)	\$ (1,000,000)	\$ (1,000,000)	\$ 942,679	\$ 109,267	\$ (79,427)
Beginning Fund Balance	1,000,000	1,000,000	1,000,000	-	1,396,367	1,475,794
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 942,679	\$ 1,505,634	\$ 1,396,367

**BUDGETED RESOURCES FOR
RELATED DEBT OBLIGATIONS
Fiscal Year 2015-2016
Debt Service - Fund III**



This fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest as well as potential future pension obligations.

**BUDGETED REQUIREMENTS
Fiscal Year 2015-2016
Debt Service Fund III**



Requirements for FY2015-2016:

- Flight Service Technology
- Qualified Energy Conservation Bonds
- General Obligation Bonds 2012
- Recovery Zone Bonds
- Pension Obligation Bonds

Capital Projects Fund IV

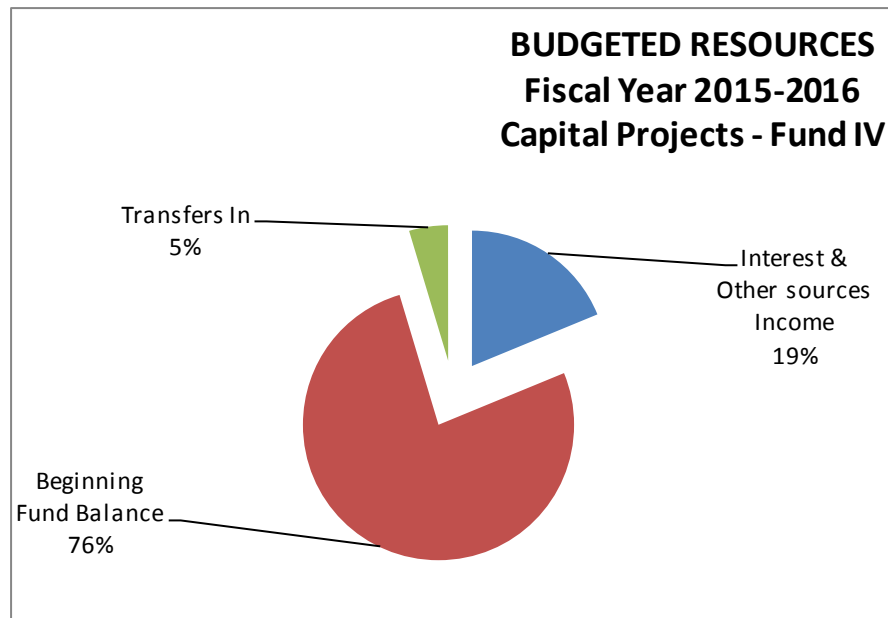
	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
<u>RESOURCES</u>						
Intergovernmental	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ -	\$ -	\$ -
Other Sources:						
Interest Income	75,000	75,000	75,000	75,000	291,781	122,026
Donations, Special Allocations, Refunds	5,042,500	5,042,500	5,042,500	2,500	7,320,229	765,294
Proceeds from Sale of Bonds	-	-	-	-	-	45,760,218
Transfer In General Fund I	1,036,798	1,036,798	1,036,798	769,000	1,206,668	1,512,401
Transfer In Special Revenue-Administratively	227,600	227,600	227,600	224,489	230,268	359,125
TOTAL OPERATING REVENUES	\$ 14,381,898	\$ 14,381,898	\$ 14,381,898	\$ 1,070,989	\$ 9,048,946	\$ 48,519,064
<u>EXPENDITURES AND REQUIREMENTS</u>						
College Support Services						
Information Technology (LASR Project)	\$ 432,798	\$ 432,798	\$ 432,798	\$ 434,000	\$ 11,835	\$ 24,791
Plant Operation & Maintenance						
Facilities Management & Planning	1,207,500	1,207,500	1,207,500	910,500	1,480,468	1,739,770
Plant Additions						
Bond Project^	33,075,840	33,075,840	33,075,840	33,081,598	8,437,223	15,980,045
Facilities Management & Planning	455,000	455,000	455,000	90,000	850	14,934
Health & Wellness Building	-	-	-	-	-	3,539
Longhouse Project	74,489	74,489	74,489	74,489	-	-
Transfer Out:						
To General Fund I	-	-	-	-	19,350	30,242
TOTAL EXPENDITURES AND REQUIREMENTS	\$ 35,245,627	\$ 35,245,627	\$ 35,245,627	\$ 34,590,587	\$ 9,949,726	\$ 17,793,321

^Fluctuations are related to the timing of the issuances of General Obligation Bonds

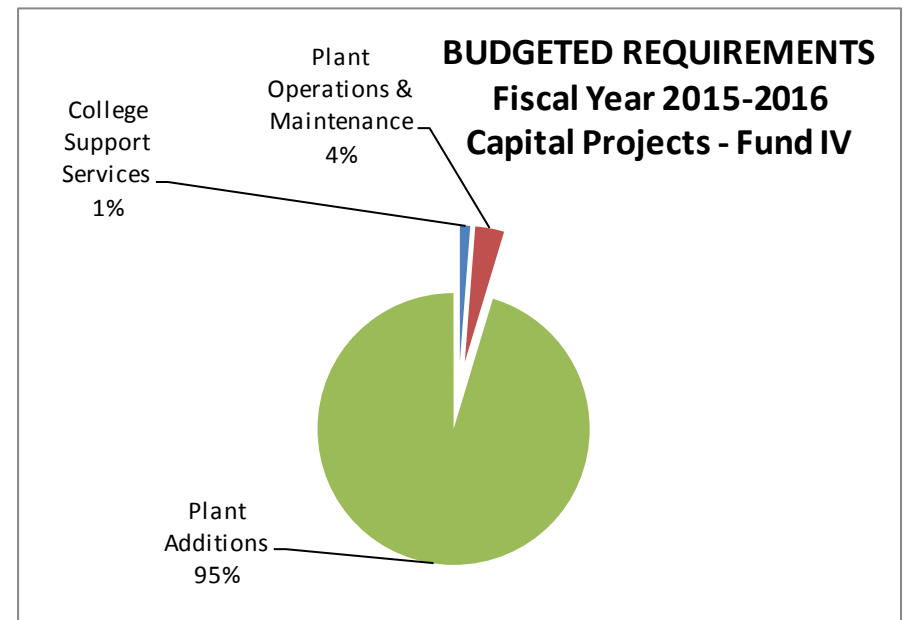
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CAPITAL PROJECTS FUND IV

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
<u>SUMMARY OF CAPITAL PROJECTS FUND RESOURCES AND REQUIREMENTS</u>						
Total Operating Revenues	\$ 14,381,898	\$ 14,381,898	\$ 14,381,898	\$ 1,070,989	\$ 9,048,946	\$ 48,519,064
Less: Total Operating Expenditures	(35,245,627)	(35,245,627)	(35,245,627)	(34,590,587)	(9,949,726)	(17,793,321)
Revenues, over/under, Expenditures	<u>\$ (20,863,729)</u>	<u>\$ (20,863,729)</u>	<u>\$ (20,863,729)</u>	<u>\$ (33,519,598)</u>	<u>\$ (900,780)</u>	<u>\$ 30,725,743</u>
Beginning Fund Balance	20,863,729	20,863,729	20,863,729	33,519,598	33,503,210	2,777,467
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,602,430</u>	<u>\$ 33,503,210</u>



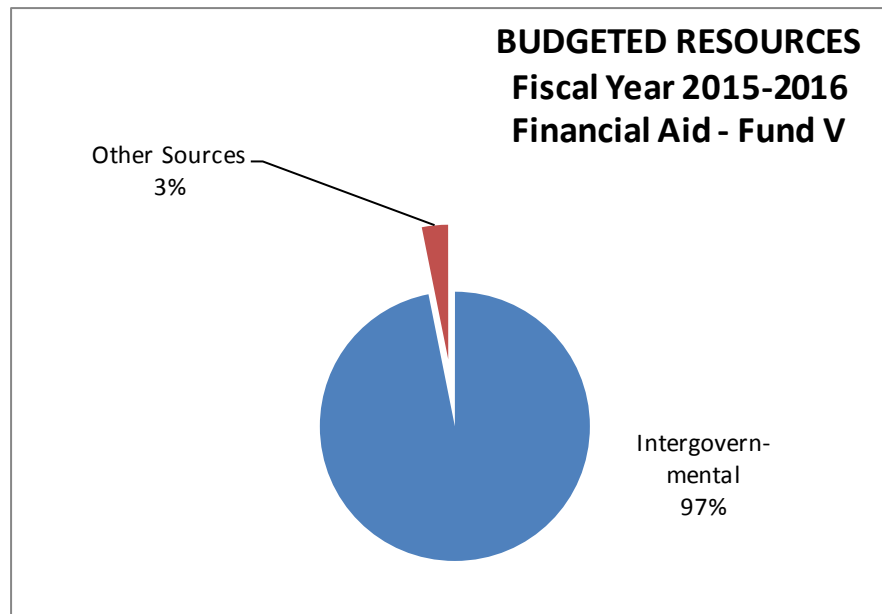
Resources are used for the acquisition of land, new construction and major equipment purchases.



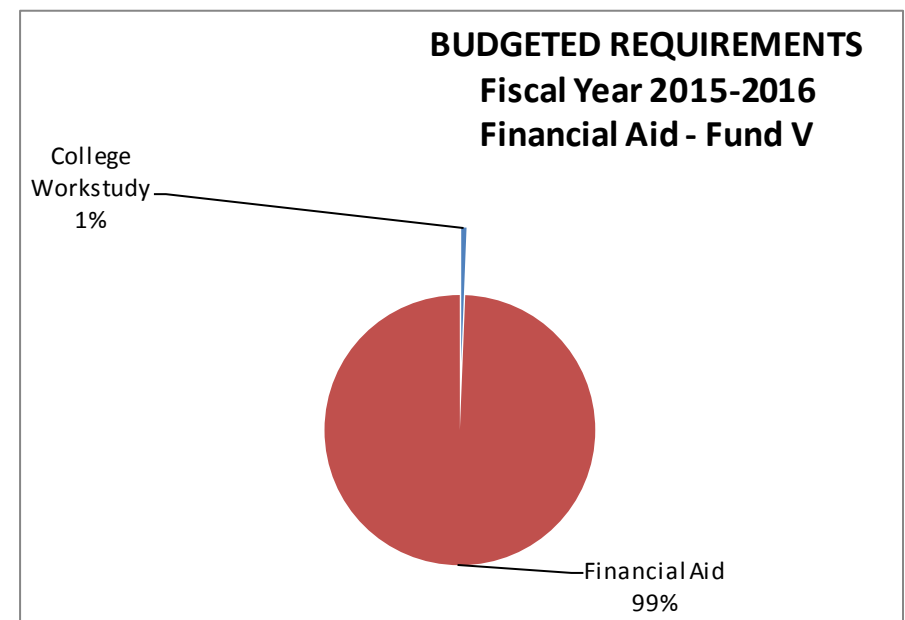
Requirements are allocated to cover the managing and expenses of purchases and construction and remodel costs.

Financial Aid Fund V

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
<u>RESOURCES</u>						
Intergovernmental	\$ 93,103,851	\$ 93,103,851	\$ 93,103,851	\$105,603,851	\$ 66,974,986	\$ 94,580,968
Other Sources:						
Interest Income	50,000	50,000	50,000	50,000	108,021	94,661
Local Grants, Donations, etc.	2,965,000	2,965,000	2,965,000	2,800,000	3,277,672	2,777,564
Transfer In General Fund I	-	-	-	-	47,641	-
Transfer In Special Revenue-Administratively Restricted Fund IX	-	-	-	-	90,024	113,192
TOTAL OPERATING REVENUES	\$ 96,118,851	\$ 96,118,851	\$ 96,118,851	\$108,453,851	\$ 70,498,345	\$ 97,566,385
<u>EXPENDITURES AND REQUIREMENTS</u>						
Financial Aid						
College Workstudy	\$ 607,393	\$ 607,393	\$ 607,393	\$ 826,524	\$ 571,641	\$ 537,503
Financial Aid	96,183,798	96,183,798	96,183,798	108,299,667	69,609,266	96,765,338
Transfer Out to General Fund I	50,000	50,000	50,000	50,000	50,000	50,000
TOTAL EXPENDITURES AND REQUIREMENTS	\$ 96,841,191	\$ 96,841,191	\$ 96,841,191	\$109,176,191	\$ 70,230,907	\$ 97,352,841
<u>SUMMARY OF FINANCIAL AID FUND RESOURCES AND REQUIREMENTS</u>						
Total Operating Resources	\$ 96,118,851	\$ 96,118,851	\$ 96,118,851	\$108,453,851	\$ 70,498,345	\$ 97,566,385
Less: Total Operating Expenditures	(96,841,191)	(96,841,191)	(96,841,191)	(109,176,191)	(70,230,907)	(97,352,841)
Revenues, over/under, Expenditures	\$ (722,340)	\$ (722,340)	\$ (722,340)	\$ (722,340)	\$ 267,437	\$ 213,544
Beginning Fund Balance	722,340	722,340	722,340	722,340	1,882,072	1,668,528
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,149,509	\$ 1,882,072



Resources from this fund are from Intergovernmental sources including federal financial aid, Pell grants, transfers from other LCC funds, interest income, scholarships and local grants.



This fund is used for the provision of grants, stipends and other aid to enrolled students.

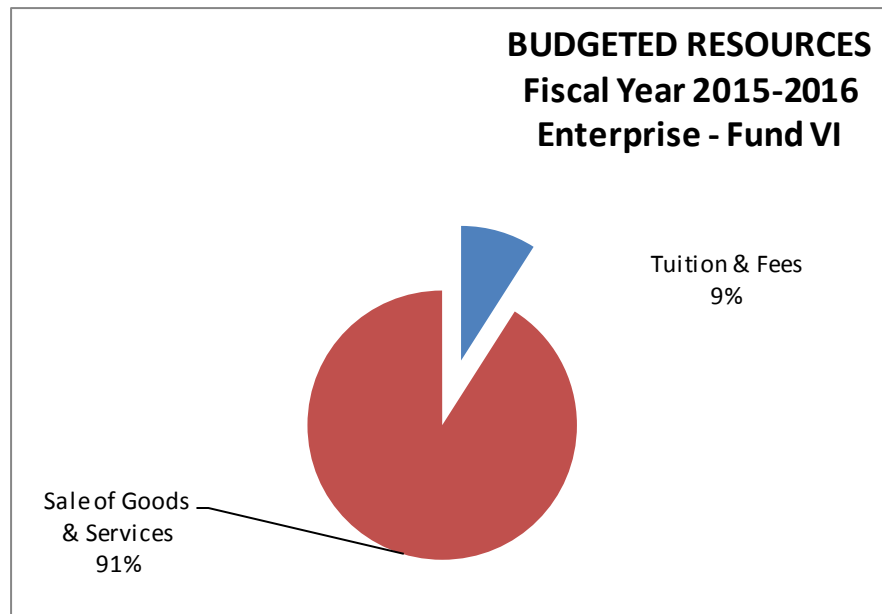
Enterprise Fund VI

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
RESOURCES						
Tuition & Fees:						
Tuition	\$ 1,986,390	\$ 1,986,390	\$ 1,986,390	\$ -	\$ 1,761,620	\$ 1,460,652
Instructional Fees	1,178,315	1,178,315	1,178,315	5,852,987	1,347,493	775,827
Sale of Goods & Services	11,875,000	11,875,000	11,875,000	12,400,000	8,714,408	10,736,414
Downtown Housing	1,358,837	1,358,837	1,358,837	-	1,510,199	715,489
Other Fees & Charges	859,142	859,142	859,142	-	1,702,679	1,014,884
Interest	-	-	-	-	197,002	199,191
Transfer In General Fund I	-	-	-	-	-	164,539
Transfer In Internal Svs Fund II	25,000	25,000	25,000	-	-	-
TOTAL OPERATING REVENUES	\$ 17,282,684	\$ 17,282,684	\$ 17,282,684	\$ 18,252,987	\$ 15,233,401	\$ 15,066,996
EXPENDITURES AND REQUIREMENTS						
Student Services						
Bookstore	\$ 9,950,000	\$ 9,950,000	\$ 9,950,000	\$ 10,449,999	\$ 6,831,410	\$ 8,489,782
Downtown Housing	992,395	992,395	992,395	992,395	992,909	775,761
Foodservices	2,687,755	2,687,755	2,687,755	2,973,755	2,259,996	2,420,350
Hospitality & Conference Services	944,576	944,576	944,576	923,301	937,750	949,717
International Student Program	3,999,287	3,999,287	3,999,287	4,075,000	1,813,628	1,218,116
College Support Services						
LaneStarter	25,000	25,000	25,000	-	-	-
Laundry	-	-	-	25,000	324,812	333,440
Transfer Out:						
To General Fund I	301,668	301,668	301,668	332,095	116,485	910,859
To Debt Service Fund III	759,000	759,000	759,000	776,442	776,442	539,196
To Special Revenue-Administratively Restricted Fund IX	1,000	1,000	1,000	1,000	-	-
TOTAL EXPENDITURES AND REQUIREMENTS	\$ 19,660,681	\$ 19,660,681	\$ 19,660,681	\$ 20,548,987	\$ 14,053,432	\$ 15,637,221

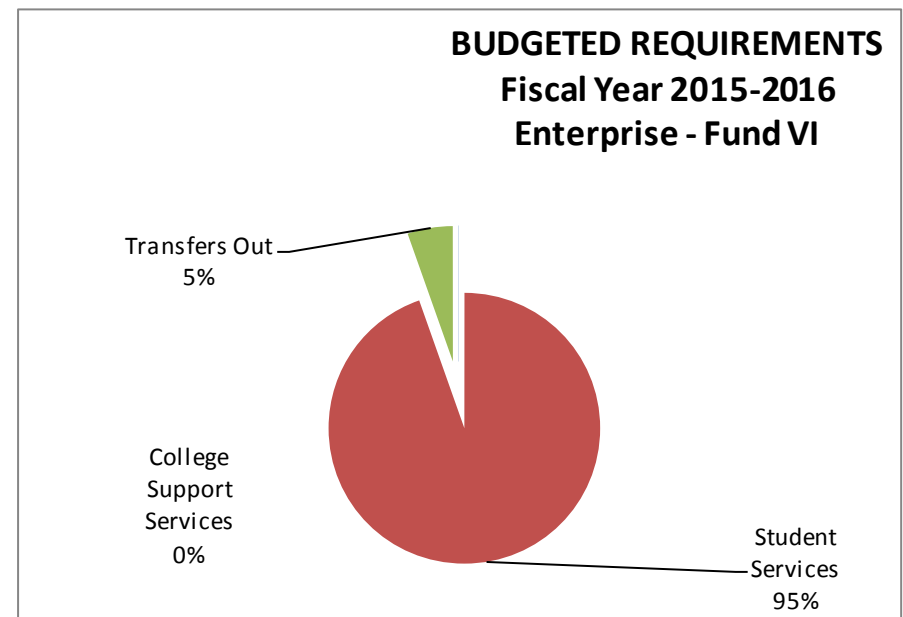
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ENTERPRISE FUND VI**SUMMARY OF ENTERPRISE FUND
RESOURCES AND REQUIREMENTS**

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
Total Operating Revenues	\$ 17,282,684	\$ 17,282,684	\$ 17,282,684	\$ 18,252,987	\$ 15,233,401	\$ 15,066,996
Less: Total Operating Expenditures	(19,660,681)	(19,660,681)	(19,660,681)	(20,548,987)	(14,053,432)	(15,637,221)
Revenues, over/under, Expenditures	\$ (2,377,998)	<u>\$ (2,377,998)</u>	<u>\$ (2,377,998)</u>	<u>\$ (2,296,000)</u>	<u>\$ 1,179,968</u>	<u>\$ (570,225)</u>
Beginning Fund Balance	2,377,998	2,377,998	2,377,998	2,296,000	7,394,330	7,964,555
Ending Fund Balance	\$ -	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,574,298</u>	<u>\$ 7,394,330</u>



This fund includes activities that furnish goods or services to students, staff, or the public, for which charges or fees are assessed that are directly related to the cost of the good or service provided.



Services provided out of this fund include the Titan Store (bookstore), Foodservices, Hospitality & Conference Services, the International Student Program and the new LaneStarter program.

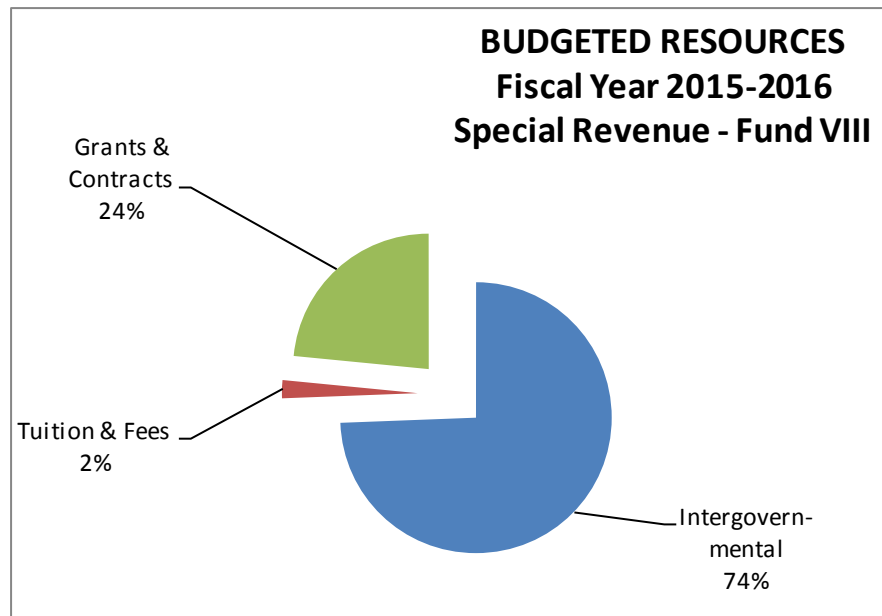
Special Revenue Fund VIII

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
RESOURCES						
Intergovernmental	\$ 10,400,000	\$ 10,400,000	\$ 10,400,000	\$ 10,400,000	\$ 8,034,777	\$ 9,120,983
Tuition & Fees						
Tuition	100,000	100,000	100,000	100,000	15,566	14,692
Instructional Fees	200,000	200,000	200,000	200,000	86,709	87,077
Grants & Contracts	3,278,306	3,278,306	3,278,306	3,278,306	496,924	977,399
TOTAL OPERATING REVENUES	\$ 13,978,306	<u>\$ 13,978,306</u>	<u>\$ 13,978,306</u>	<u>\$ 13,978,306</u>	<u>\$ 8,633,975</u>	<u>\$ 10,200,151</u>
EXPENDITURES AND REQUIREMENTS						
Instruction						
Funded Projects	\$ 7,700,000	\$ 7,700,000	\$ 7,700,000	\$ 7,700,000	\$ 2,733,014	\$ 3,802,439
Instructional Support						
Funded Projects	50,000	50,000	50,000	50,000	40,167	4,507
Student Services						
Funded Projects	1,400,000	1,400,000	1,400,000	1,400,000	792,473	1,020,578
Community Services						
Funded Projects	5,124,306	5,124,306	5,124,306	5,124,306	5,086,574	5,115,757
College Support Services						
Funded Projects	100,000	100,000	100,000	100,000	16,362	193,104
Transfer Out:						
To General Fund I	4,000	4,000	4,000	4,000	-	-
TOTAL EXPENDITURES AND REQUIREMENTS	\$ 14,378,306	<u>\$ 14,378,306</u>	<u>\$ 14,378,306</u>	<u>\$ 14,378,306</u>	<u>\$ 8,668,590</u>	<u>\$ 10,136,385</u>

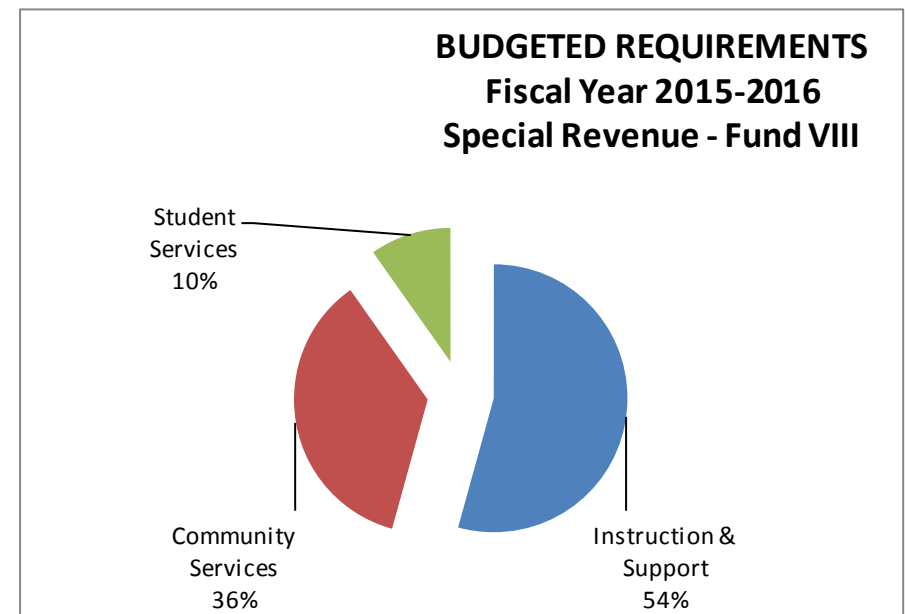
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SPECIAL REVENUE FUND VIII

	Fiscal Year 2015-2016 ADOPTED Budget	Fiscal Year 2015-2016 APPROVED Budget	Fiscal Year 2015-2016 PROPOSED Budget	Fiscal Year 2014-2015 CURRENT Budget	Fiscal Year 2013-2014 ACTUAL Amounts	Fiscal Year 2012-2013 ACTUAL Amounts
SUMMARY OF SPECIAL REVENUE FUND RESOURCES AND REQUIREMENTS						
Total Operating Revenues	\$ 13,978,306	\$ 13,978,306	\$ 13,978,306	\$ 13,978,306	\$ 8,633,975	\$ 10,200,151
Less: Total Operating Expenditures	(14,378,306)	(14,378,306)	(14,378,306)	(14,378,306)	(8,668,590)	(10,136,385)
Revenues, over/under, Expenditures	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (400,000)	\$ (34,615)	\$ 63,766
Beginning Fund Balance	400,000	400,000	400,000	400,000	308,888	245,122
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 274,273	\$ 308,888



This fund accounts for revenue sources from granting agencies (Federal, State, Local, etc) that are legally restricted to expenditures for specific purposes.



Expenditures are restricted to uses outlined in each specific grant. Examples including purchasing of instructional equipment such as GIS systems or funding Lane Workforce partnership.



PERSONNEL SERVICES

Budgeted FTE By Expense Function

	FY16	FY15	FY14
INSTRUCTION			
Academic Learning Skills	7.00	8.25	9.45
Adult Basic and Secondary Education	12.50	14.80	15.80
Advanced Technologies	22.93	24.90	23.43
Art and Applied Design	13.54	14.58	13.78
Business & Computer Information Technologies	15.00	17.00	19.42
Child & Family Education	2.71	2.71	2.71
Community Education	9.80	13.23	13.90
Cooperative Education	10.37	13.31	13.21
Culinary Arts & Hospitality	3.80	4.80	4.80
Energy Management Program	2.70	3.17	3.17
English as a Second Language	7.00	8.50	8.50
Flight Technology	3.50	3.50	6.00
Health & Physical Education	12.53	15.03	15.78
Health Professions	38.45	39.14	39.85
Lane Community College at Cottage Grove	1.97	1.72	1.72
Lane Community College at Florence	4.13	4.13	3.73
Language, Literature & Communications	28.64	31.99	33.83
Mathematics	24.08	23.64	24.78
Music/Dance/Theatre Arts	8.98	9.98	10.98
Science	22.80	23.80	23.42
Social Science	20.90	22.40	22.40
Specialized Support Services	10.13	11.20	11.05
TOTAL INSTRUCTION	283.46 *	311.78	321.71

* Decrease due to employee retirements and separations.

- Continued -

BUDGETED FTE BY EXPENSE FUNCTION

	FY16	FY15	FY14
INSTRUCTIONAL SUPPORT			
Academic & Student Affairs Office	9.65	10.50	10.28
Academic Technology	15.34	15.89	16.02
Grant Coordination	1.75	2.00	3.00
High School Connections	1.83	1.83	2.21
Library	11.86	12.36	12.31
Special Instructional Projects	-	1.25	0.25
TOTAL INSTRUCTIONAL SUPPORT	40.43	43.83	44.07
STUDENT SERVICES			
ASLCC	1.25 #	0.25	1.25
Athletics	2.70	2.70	2.70
Child & Family Education	10.18	9.36	10.54
Conference & Culinary Services	11.58	10.18	11.78
Counseling	29.38	28.80	30.05
Center for Accessible Resources	6.00	6.00	6.00
Enrollment Services	16.75 ^	21.75	24.25
Foodservices	9.07	9.07	8.72
Health Clinic	11.00 *	6.97	7.47
High School Connections	1.00	1.00	-
International Student Program	16.00	9.00	8.00
Student Financial Services	17.83 ^	11.75	12.75
Student Life & Leadership	5.00	5.70	5.00
Titan Store	13.80	12.80	12.80
The Torch	0.67	0.67	0.67
Women's Program	5.88	5.48	5.48
TOTAL STUDENT SERVICES	158.09	141.48	147.46
COMMUNITY SERVICES			
KLCC Administration	11.63	11.63	11.54
TOTAL COMMUNITY SERVICES	11.63	11.63	11.54

New 1.0 FTE position in ASLCC

^ Enrollment Services and Student Financial Services reorganization

* Health Clinic reorganization

- Continued -

	FY16	FY15	FY14
COLLEGE SUPPORT SERVICES			
Archives & Records Management	0.50	0.50	0.50
College Finance	12.63 [^]	10.63	11.63
College Services Office	3.50	4.75	4.75
Curriculum & Scheduling	2.50	2.00	3.25
Employee Wellness Program	1.00	1.00	1.00
Health Clinic	- [*]	2.00	2.00
Human Resources	10.00	9.75	10.75
Infrastructure Technology	26.42	27.28	27.28
Institute for Sustainable Practices	2.83	3.13	3.83
Institutional Research, Assessment & Planning	4.50	5.00	5.50
Lane Community College Foundation	7.00	7.00	6.00
Laundry	-	-	3.45
Mail Services	2.00	2.00	2.00
Marketing & Public Relations	1.40	1.40	1.40
President's Office	5.50	5.50	6.50
Printing & Graphics	7.20	7.20	7.20
Public Safety	10.00	10.00	10.00
Telephone Services	1.00	2.00	2.00
TOTAL COLLEGE SUPPORT SERVICES	97.48	100.64	108.54
PLANT OPERATIONS & MAINTENANCE			
Facilities Administration	42.75 [#]	46.75	52.75
TOTAL PLANT OPERATIONS & MAINTENANCE	42.75	46.75	52.75
PLANT ADDITIONS			
Project Management & Planning	4.50 [#]	2.00	2.00
TOTAL PLANT ADDITIONS	4.50	2.00	2.00
TOTAL BUDGETED FTE BY EXPENSE FUNCTION	638.34	658.11	688.07

[^] The budget office combined with College Finance increasing the FTE

^{*} Health Clinic reorganization

[#] Redirecting personnel to accommodate construction

Salaries Budgeted From More Than One Source

				FY16 Budget Salary Split	Total
Position Title	Fund	Division/Department	Expense Function		
1. Director	1	Advanced Technologies	Instruction	37,448	
Director	9	Flight Technology	Instruction	37,448	\$ 74,896
2. Faculty Instructor	1	Cooperative Education	Instruction	15,957	
Faculty Instructor	1	Health Professions	Instruction	63,827	\$ 79,784
3. Technology Tech A	9	Information Technology	College Support Services	26,060	
Technology Tech A	6	Conference & Culinary	Student Services	26,060	\$ 52,120
4. Administrative Specialist	4	Bond Projects	Plant Additions	33,929	
Administrative Specialist	4	Facilities Management & Planning	Plant Additions	11,310	\$ 45,239
5. Faculty Instructor	1	Cooperative Education	Instruction	15,375	
Faculty Instructor	1	Health Professions	Instruction	61,499	\$ 76,874
6. Administrative Specialist	1	Enrollment Services	Student Services	11,310	
Administrative Specialist	9	Student Life & Leadership Development	Student Services	11,310	\$ 22,620
7. Faculty Instructor	1	Cooperative Education	Instruction	37,100	
Faculty Instructor	1	Art & Applied Design	Instruction	42,684	\$ 79,784
8. Faculty Instructor	1	Academic Technology	Instruction	33,796	
Faculty Instructor	1	Art & Applied Design	Instruction	16,898	
Faculty Instructor	1	Art & Applied Design	Instruction	16,898	\$ 67,592
9. Administrative Coordinator	1	Advanced Technologies	Instruction	30,877	
Administrative Coordinator	9	Flight Technology	Instruction	30,877	\$ 61,754
10. Department Coordinator	1	Student Life & Leadership Development	Student Services	25,618	
Department Coordinator	9	Student Life & Leadership Development	Student Services	12,809	
Department Coordinator	9	ASLCC	Student Services	12,809	\$ 51,236

-continued-

SALARIES BUDGETED FROM MORE THAN ONE SOURCE

Position Title	Fund	Division/Department	Expense Function	Salary Split	Total
11. Faculty Instructor	1	Cooperative Education	Instruction	15,957	
Faculty Instructor	1	Conference & Culinary	Instruction	<u>63,827</u>	\$ 79,784
12. Administrative Coordinator	4	Bond Projects	Plant Additions	25,618	
Administrative Specialist	1	Art & Applied Design	Instruction	<u>25,618</u>	\$ 51,236
13. Faculty Instructor	1	Health & Physical Education	Instruction	71,806	
Faculty Instructor	9	Athletics	Student Services	<u>7,978</u>	\$ 79,784
14. Faculty Instructor	1	Cooperative Education	Instruction	19,946	
Faculty Instructor	1	Health Professions	Instruction	<u>59,838</u>	\$ 79,784
15. Director	2	Printing & Graphics	College Support Services	14,675	
Director	6	Titan Store	Student Services	<u>58,701</u>	\$ 73,376
16. Executive Assistant	1	Marketing & Public Relations	College Support Services	44,089	
Executive Assistant	9	President's Office	College Support Services	<u>44,089</u>	\$ 88,178
17. Faculty Instructor	1	Cooperative Education	Instruction	7,978	
Faculty Instructor	1	Social Science	Instruction	<u>71,806</u>	\$ 79,784
18. Faculty Instructor	1	Cooperative Education	Instruction	43,654	
Faculty Instructor	1	Health Professions	Instruction	<u>29,103</u>	\$ 72,757



Appendix

A: FINANCIAL POLICIES

B: DEBT POLICY

C: PERFORMANCE MEASURES

D: LONG RANGE FINANCIAL INFORMATION

E: LOCAL & REGIONAL INFORMATION

F: ECONOMIC FORECAST

G: LEGAL NOTIFICATIONS

H: GLOSSARY OF TERM

Financial Policies

Lane Community College Board of Education

Policy BP205: Asset Protection***Adopted 11.09.98; Last Reviewed/Revised 6.2.13***

The president shall assure that assets are protected, adequately maintained, and not placed at risk.

Accordingly, the president shall:

1. Insure against theft and casualty losses and against liability losses to board members, staff, and the organization itself in an amount similar to the average for comparable organizations.
2. Prevent uninsured personnel from access to material amounts of funds.
3. Assure that plant and equipment are not subjected to improper wear and tear or insufficient maintenance.
4. Assure that the organization, its board, or staff, are not unnecessarily exposed to claims of liability.
5. Assure that every purchase:
 - a. Includes normally prudent protection against conflict of interest; and
 - b. Of over \$100,000 for goods and services contracts or \$150,000 for public improvements contracts includes a stringent method of assuring the balance of long-term quality and cost.
6. Protect intellectual property, information, and files from loss or significant damage.
7. Receive, process, or disburse funds under sufficient controls to meet the board-appointed auditor's standards.
8. Invest or hold operating capital in excess of daily requirements in accordance with ORS 294.035.
9. Not endanger the organization's public image or credibility, particularly in ways that would hinder the accomplishment of its mission.
10. Not name a building, substantial parts of buildings, or significant landscape features of Lane Community College without prior approval of the board; and, when a building has substantial support from a donor, without prior involvement of the Foundation.

Policy BP210: Board Duties and Responsibilities: Budget Making***Adopted 11.09.98; Last Reviewed/Revised 12.10.14***

The board of education has the responsibility to:

1. Adopt the annual budget before July 1 of the budget year.
2. Act as the levying board in the budget process.

3. Assist in presenting the needs of the college to the public and assist in the adoption, through the formulated budget process, of a budget that will address these needs.
4. Appoint the seven members with whom they shall serve jointly as the budget committee.
5. Review student tuition rates annually.

Policy BP215: Budget Officer***Adopted 11.09.98; Last Reviewed/Revised 11.17.10***

The president or designee shall serve as budget officer. The budget officer shall be responsible for preparation and maintenance of the budget document in compliance with Local budget Law [ORS 294].

Policy BP220: Budget Preparation and Adoption***Adopted 11.09.98; Last Reviewed/Revised 9.16.14***

At the direction of the board of education, the president shall study budget needs and prepare recommendations on programs and services for budget committee consideration. The recommendation of advisory committees and interested citizens and organizations within the college district shall be considered by the president in developing the budget document. The college budget shall be prepared and adopted in compliance with Oregon Local Budget Law [ORS 294].

Policy BP225: Budgeting of Non-Recurring Resources***Adopted 1.14.04; Last Reviewed/Revised 12.5.12***

Non-recurring resources are resources that are not part of an annual revenue stream. Non-recurring resources include but are not limited to such categories as:

- Fund balances (i.e., “carryover”)
- Reserves
- One-time grants or awards of money
- Funds withheld from annual budget allocations e.g., funds held back from annual General Fund transfer to Capital Repair & Improvement)
- Special allocations from the state (e.g., allocations from the Emergency Board)
- Other special allocations (e.g., “seed money” for a project)

Non-recurring resources shall not be budgeted for ongoing recurring expenditures.

Non-recurring resources maybe allocated or one-time expenditures including but not limited to the following:

- Capital equipment
- Capital construction
- Investment in a new program or service that will move to recurring funding sources after a specified trial period
- Projects related to strategic directions of the college

However, the college shall not rely on non-recurring resources for funding ongoing needs such as major maintenance and equipment replacement.

Policy BP230: Capital Reserve Funds

Adopted 1.14.04; Last Reviewed/Revised 12.5.12

The college shall establish and maintain separate reserve funds (as described in ORS 341.321 and ORS 294.525) in Capital Projects Fund IV for the following purposes:

1. To replace capital equipment that is broken or beyond its useful life as determined by the Capital Assets Replacement Forecast;
2. To maintain and repair college facilities according to the Major Maintenance Schedule;
3. To maintain and upgrade the college's information/telecommunications system according to planning schedules maintained by Information Technology;
4. To build new instructional facilities and/or to purchase property that facilitate planned long-term growth of the college.

Appropriate levels of funding for reserves will be determined using existing college decision-making structures. The president will make recommendations to the Board of Education for approval to establish and fund these reserves.

Optimal funding levels will be determined using benchmarks, professional standards and best practices from other colleges and adapting these to Lane's specific situation. It is expected that full funding of these reserves will take place over a number of years and that annual transfers to these reserves will be budgeted from the General Fund and other sources as appropriate.

As required in ORS 294.525, the board shall periodically review the reserve fund "and determine whether the fund will be continued or abolished." While ORS 294 allows review to take place every 10 years, reserve funds established under these policies shall be reviewed (a) annually by the president; and (b) at least every three years or more frequently as determined by the board.

As allowed in ORS 294.525, the board may determine at any time that a reserve fund is no longer necessary or that some or all of the reserves may be transferred to the General Fund.

Policy BP235: Debt Issuance and Management***Adopted 6.9.04; Last Reviewed/Revised 2.6.13***

The president shall ensure that sufficient funds are available to meet current and future debt service requirements on all indebtedness, while adequately providing for recurring operating requirements. The issuance of debt limits the college's flexibility to respond to future learning priorities; consequently, the college shall issue and manage debt in a manner which maintains a sound fiscal position, protects its creditworthiness and complies with ORS 341.675 and ORS 341.715.

To meet the objectives of this policy the president shall ensure that the college incurs and services all debts in a manner that will:

- Maintain a balanced relationship between debt service requirements and current operating needs.
- Maintain and enhance the college's ability to obtain access to credit markets, at favorable interest rates, in amounts needed for capital improvements and to provide essential learning services.
- Prudently incur and manage debt to minimize costs to the taxpayers and ensure that current decisions do not adversely affect future generations.
- Preserve the college's flexibility in capital financing by maintaining an adequate margin of statutory debt capacity.

The board shall approve borrowing as described in Board Policy BP315. Long-term debt (due more than a year in the future) shall not be issued to fund normal operating needs.

Policy BP240: Definition of a Balanced Budget***Adopted 1.14.04; Last Reviewed/Revised 10.15.12***

The board directs the president to develop annual budget recommendations that are in accordance with the college's strategic plan and conform to the requirements of Local Budget Law [ORS 294.326]. The budget shall provide for:

- Annual operating expenditures not to exceed projected revenues (Expenditures shall be budgeted according to the college's strategic priorities.)
- Debt service, both current (due in less than 12 months) and long term.
- Reserves for maintenance and repairs to its existing facilities.
- Reserves for acquisition, maintenance and replacement of capital equipment.
- Reserves for strategic capital projects.
- Funding levels to fulfill future terms and conditions of employment, including early retirement benefits.

- Allocations for special projects related to the strategic directions of the college.
- Allocations for contingencies (unforeseen events requiring expenditures of current resources.)
- Ending Fund Balances (according to policies set specifically for that purpose.)

Lane has a further responsibility to:

- Plan how it will spend any “onetime” unanticipated revenue, allocating it strategically and prudently between:
 - The restoration of any shortfall to targeted ending fund balances,
 - Currently unfunded projects in the strategic plan, and/or
 - Holding some of all of it in reserve during financially volatile periods.
- Permanently stabilize its finances in their entirety (operating budget, reserves, contingencies and ending fund balances) when it perceives a long term change (increase or decrease) to its available future recurring resources.

Policy BP245: Ending Fund Balance

Adopted 1.14.04; Last Reviewed/Revised 11.4.14

Lane Community College shall maintain an unrestricted General Fund Ending Fund Balance equal to or greater than 10% of total expenditures and transfers.

The Ending Fund Balance target shall include the Unappropriated Ending Fund Balance (UEFB) as set by board policy BP295. When the Ending Fund Balance falls to 9% or less, the college shall adopt a plan to replenish the Ending Fund Balance to 10% within two years. When the Ending Fund Balance exceeds 11%, balances in excess may be set aside for reserves or investment in one time expenditures.

If the total Ending Fund Balance (including restricted) falls to levels that require short-term borrowing, the levels set by this policy shall be automatically reviewed and adjusted as necessary.

Policy BP255: Financial Condition and Activities

Adopted 11.09.98; Last Reviewed/Revised 6.12.13

With respect to the actual, on-going financial condition and activities, the president shall avoid fiscal jeopardy and assure that actual expenditures reflect board priorities as established in ends policies.

Accordingly, the president shall:

1. Not expend more funds than have been received in the fiscal year to date, except as approved by the board.
2. Not use any long-term reserves that are not budgeted and appropriated for expenditure.
3. Settle payroll and debts in a timely manner.
4. Assure that tax payments or other government-ordered payments or filings be on time and accurately filed.
5. Make no single purchase or commitment of greater than \$100,000 for goods and services contracts, or \$150,000 for public improvements contracts, without board approval, except in extreme emergencies.
6. Acquire, encumber, or dispose of real property only with board approval, except in extreme emergencies.
7. Pursue receivables aggressively after a reasonable grace period.
8. Comply with budget and financial policies contained in Section E.
9. Not contract with the College's independent auditors for non-audit services without prior approval of the Board.
10. Provide the following annual certifications, by the president and by the vice president for college operations, to the Board upon receipt of the audited financial statements:
 - a. He/she has reviewed the annual audit report;
 - b. Based on his/her knowledge, the report does not contain any untrue statement of a material fact or omission of a material fact that makes the financial statements misleading;
 - c. Based on his/her knowledge, the financial statements present in all material respects the financial condition and results of operations.
11. Establish and maintain an adequate internal control structure and procedures for financial operations and reporting.

Policy BP260: Financial Planning and Budgeting***Adopted 11.09.98; Last Reviewed/Revised 5.8.13***

Financial planning for any fiscal year or the remaining part of any fiscal year shall reflect the board's end priorities, avoid fiscal jeopardy, and shall be derived from a multi-year plan.

Accordingly, the president shall assure budgeting that:

1. Complies with Oregon Local Budget Law.
2. Contains sufficient information to enable credible projections of resources and expenditures as presented in the Budget Document in accordance with Oregon Local Budget Law.
3. Discloses planning assumptions.
4. Limits expenditures in any fiscal year to conservatively projected resources for that period.
5. Maintains current assets at any time to at least twice current liabilities.

6. Complies with budget and financial policies contained in Section E.

Policy BP265: Financial Reporting

Adopted 3.9.05; Last Reviewed/Revised 3.13.13

Lane's annual audited financial statements shall conform to generally accepted accounting principles. Applicable professional accounting standards and guidance shall be incorporated into Lane's financial statements.

Policy BP270: General Fund Contingency

Adopted 1.14.04; Last Reviewed/Revised 10.14.14

Board Contingency:

The annual budget shall set aside approximately one-half percent (0.5%) of the budgeted revenues each year for Board Contingency. Use of Board Contingency shall be at the discretion of the Board of Education and shall be allocated by formal approval of the board according to its policies.

Administrative Contingency:

Administrative Contingency shall be approximately one percent (1%) of the budgeted revenues each year. Administrative Contingency shall be allocated by approval of the president.

Policy BP275: Interfund Loans

Adopted 6.9.04; Last Reviewed/Revised 12.9.13

Loans from one fund to another shall conform to the requirements of ORS 294.460 and be authorized by the Board of Education. Interfund loans may not be from: a Debt Service fund, a Financial Aid fund, employee/retiree benefit funds, or funds legally restricted to specific uses. Repayment of the loan must be budgeted according to an approved schedule and at a stated rate of interest.

The full repayment of interfund loans shall occur no later than:

- Five years from the date of the loan, if the funds are to be used to acquire or improve real or personal property, or
- June 30 of the fiscal year following the year in which the loan was authorized, if the funds are to be used for operating purposes.

Policy BP280: Interfund Transfers***Adopted 1.14.04; Last Reviewed/Revised 11.4.14***

All transfers between funds shall be in conformance with ORS 294.361. The Budget Document shall clearly show for each fund the amounts, origin and destination of each transfer. Accompanying documentation shall list the specific purposes for each transfer and will be submitted to the board for approval in initial budget or subsequent resolution.

Transfers from the General Fund to other funds shall be for the following purposes:

- Debt service on an obligation incurred as a part of normal operations of the college;
- Goods and services provided to General Fund units by units in other funds;
- Construction, maintenance and acquisition of facilities and/or real property used by the college in support of its mission;
- Acquisition of capital equipment for use by the college in support of its mission;
- Matching funds for grants and contracts;
- Operation of certain financial aid functions and matching funds required for financial aid grants;
- Contractual and legal obligations to employees and retirees for compensation and benefits;
- Other needs as deemed appropriate and necessary to the board for fulfilling the obligations of the college.

Policy BP285: Purchasing Procedure***Adopted 11.09.98; Last Reviewed/Revised 11.16.11***

All procurement on behalf of the college shall be executed in accordance with the requirements of Oregon Revised Statute Chapters 279A, 279B and 279C, the Oregon Community College Rules of Procurement ("CCRP"), and Oregon Administrative Rules 125 (OAR 125) and Lane Community College on-line Policies and Procedures.

Where federal procurement regulations apply and are more restrictive than the state regulations, the federal regulations shall prevail.

Pursuant to ORS 279A.065(5), the Oregon Attorney General's Model Rules (OAR 137) do not apply to Lane Community College except those portions of the Oregon Attorney General's Model Rules that have been expressly identified in Section 300 , Appendix A, of the CCRP.

The CCRP shall prevail over the provisions in OAR 125 where topics are not addressed in the CCRP, the rules OAR 125 shall remain in force.

Policy BP290: Stabilization Reserve Fund**Adopted 1.14.04; Last Reviewed/Revised 10.14.14**

The board may require the president to establish a separate reserve fund (as described in ORS 341.321 and ORS 294.525) for the purpose of providing short-term stabilization in anticipation of possible shortfalls in revenue.

A stabilization reserve fund may be established under one or more of the following circumstances:

- State budget appropriations for community colleges are not approved by the time the college budget is approved and adopted.
- A situation exists where significant changes in enrollment are possible but not reasonably predictable.
- When any major revenue source has a reasonable possibility of decreasing after the college budget is approved and adopted.
- When any operating expenditure that is beyond the control of the college could reasonably be expected to increase after the college budget is approved and adopted.
- Any other situation in which the board determines that there is a reasonable expectation that major shifts in revenue or expenditures could occur during the budget year.

Stabilization reserve levels:

- Minimum reserve levels shall be at the discretion of the board under advice from the president.
- Maximum reserve levels shall be no more than the maximum reasonably estimated shortfall at the time of the adoption of the budget.

Stabilization reserves will be reviewed annually as part of the budget development process. The stabilization reserve fund shall be closed out when the board determines that the precipitating threat to revenues and/or expenditures no longer exists. As long as the conditions exist that caused the fund to be established, the funds shall be kept in reserve for the purpose intended. If and when the fund is closed out, any remaining balance shall be released for use as a resource in the General Fund.

Policy BP295: Unappropriated Ending Fund Balance**Adopted 1.14.04; Last Reviewed/Revised 10.15.12**

The president shall assure budgeting that maintains the estimate of unappropriated ending fund balance at no less than three percent of the general fund operational expenditure budget.

Policy BP315: Borrowing**Adopted 11.09.98; Last Reviewed/Revised 12.10.14**

The board may authorize borrowing for the college, in compliance with state laws, by resolution stating the upper limit to be obligated at any one time. The president or designee may initiate emergency borrowing prior to board approval should a quorum of the board not be available to authorize borrowing.

Policy BP340: Contractual Authority**Adopted 11.09.98; Last Reviewed/Revised 2.4.15**

Only the president, or formally designated representatives, may commit the college to financial obligations or contractual agreements. No obligation may be incurred unless it first has been authorized by the budget or by the budget change process. Any contract entered into in violation of this policy is void as to the college.

All contracts of \$100,000 for goods and services contracts, or \$150,000 for public improvements contracts or greater shall be approved for award by the board of education. The president is authorized by the board to enter into contractual agreements on behalf of the college up to a total dollar value not exceeding \$100,000 for goods and services contracts, or \$150,000 for public improvements contracts. The president may delegate this authority to college staff.

The Lane Community College Board of Education shall be the college's Local Contract Review Board as defined in ORS 279A.060.

Policy BP540: Monitoring President's Performance**Adopted 11.09.98; Last Reviewed/Revised 12.14.11**

Any evaluation of the president's performance, formal or informal, may be derived only from the criteria established within board Ends and Executive Directions.

Accordingly,

1. The purpose of monitoring is to determine the degree to which board policies are being fulfilled. Information which does not do this will not be considered to be monitoring.
2. The board will acquire monitoring data by one or more of three methods: (a) by internal report, in which the president discloses compliance information to the board, (b) by external report, in which an external, disinterested third party selected by the board

3. assesses compliance with board policies, and (c) by direct board inspection, in which a designated member or members of the board assess compliance with the appropriate policy criteria.
4. The standard for compliance shall be any reasonable presidential interpretation of the board policy being monitored.
5. All policies that instruct the president will be monitored at a frequency and by a method chosen by the board. The board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule.

<u>Policy</u>	<u>Method</u>	<u>Frequency</u>
Treatment of Learners, BP720	Internal	Annually
Treatment of Staff, BP555	Internal/External	Annually
Financial Planning and Budgeting, BP260	Internal	Semi-annual
Financial Condition and Activities, BP255	Internal	Quarterly
	External	Annually
Emergency President Succession, BP350	Internal	Annually
Asset Protection, BP205	Internal	Annually
Compensation and Benefits, BP515	Internal	Annually
Communication and Support to the Board, BP330	Internal/Direct Inspection	Annually
Community Outreach, BP335	Internal	Annually
Governance Process Policies, Bp305-BP385	Direct Inspection	Annually

Policy BP725: Tuition

Adopted 11.13.02; Last Reviewed/Revised 10.14.14

In order to maintain a constant tuition rate relative to inflation, each December, the board will adjust the per credit tuition rate to reflect changes in an appropriate index for two-year public colleges since the last tuition adjustment. The rate will be rounded to the nearest half-dollar and become effective the following academic year (Summer Term).

Periodically and as needed, the board will review Lane's tuition rates to ensure: a) that tuition revenues are appropriate for the needs of the district and, b) that Lane's tuition is comparable with other Oregon community colleges that are similar to Lane in terms of student FTE and instructional programs. Prior to approval of the tuition increase, the board will review the index options, affordability and access for students, and the revenue requirements of the college.

Debt Policy

The current debt obligations were entered into following policies and procedures as prescribed by Oregon Revised Statutes, and the Lane Community College Board of Education Policy BP235. ORS 341.675 establishes the authority to incur bonded indebtedness for certain uses such as to acquire, construct, reconstruct, improve, repair, equip or furnish a college building or buildings or additions thereto, and sets the legal debt limit. The legal debt limit is computed in compliance with ORS 308.207, according to which the taxing or bonding power of any governmental unit is limited to a percentage of the real market value of the taxable property. ORS 341-675 sets the percentage at 1.5% of real property value in the community college service district. Additionally, section 341.715 requires that the proceeds from the issuance of any short-term promissory notes are specifically used for the purpose of meeting current expenses, retiring outstanding bonds or warrants, or paying the interest thereon.

The Board of Education Policy BP235: Debt Issuance and Management is presented in its entirety on the previous pages of this appendix.

Legal Debt Limit: The Lane County Assessor's Office most recent certified assessment roll has recorded a Total Real Market Value of Taxable Property in the service district in the amount of \$48,881,038,585. 1.5% of that figure is the maximum legal bonded indebtedness available to Lane Community College, or \$733,215,579. Lane's total bonded debt subject to the limitation is \$46,925,797 which is approximately 6.4% of the legal limit.

The Debt Service Fund (Fund III) accounts for the funds collected to pay the debt service requirements on bonds, debt obligations and pension bonds payable.

Following is a summary of current year debt obligations:

Obligation	Purpose	Issued Date	Interest Rate	Maturity Date	Balance July 1, 2014	Principle Due In Current Year	Interest Due In Current Year
General Obligation Bonds Payable	Facilities Construction and Improvements	2009	1.25% - 5.00%	2024	\$24,650,000	\$2,105,000	\$979,800
General Obligation Bonds Payable	Downtown Center	2012	2.00% – 4.65%	2024	\$37,640,000	\$2,510,000	\$1,475,975
Pension Bonds Payable	PERS Contribution: Cost Sharing	2003	2.73% - 6.25%	2028	\$51,085,842	\$2,915,000	\$1,529,250
Recovery Zone	Student Housing	2011	4.324% - 7.197%	2035	\$19,355,000	0	\$718,928
Energy Conservation Bonds	Downtown Campus	2012	4.62%	2027	\$1,350,000	\$80,000	\$58,674
Flight Technology	2 Airplanes	2013	3.101%	2023	\$213,596	\$20,823	\$6,492

Performance Measures

Certificates and Degrees Granted Fiscal Years 2005 through 2014

Lower Division Transfer

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
AAOT/ASOT	454	573	474	418	407	319	291	302	294	356
Associate of General Studies	158	150	97	86	42	42	40	48	27	40
Associate of Science	87	61	90	54	47	38	18	21	12	23
Oregon Transfer Module	376	-	-	-	-	-	-	-	-	-
Total Transfer Awards	1,075	784	661	558	496	399	349	371	333	419

Technical

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Associate of Applied Science	637	548	558	418	320	307	287	307	316	351
Career Pathway Certificate	543	526	434	390	243	158	102	170	141	183
Apprentice: Associate of Applied Science	-	-	-	-	-	1	-	-	-	1
Total Technical Awards	1,180	1,074	992	808	563	466	389	477	457	535

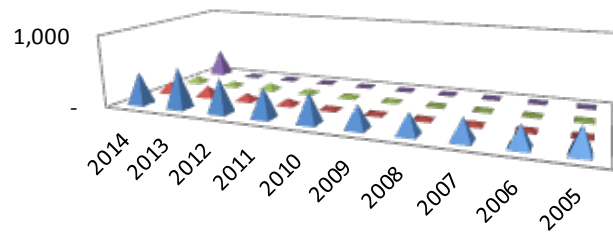
Total Awards

	<u>2,255</u>	<u>1,858</u>	<u>1,653</u>	<u>1,366</u>	<u>1,059</u>	<u>865</u>	<u>738</u>	<u>848</u>	<u>790</u>	<u>954</u>
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% of Degree-Seeking Students

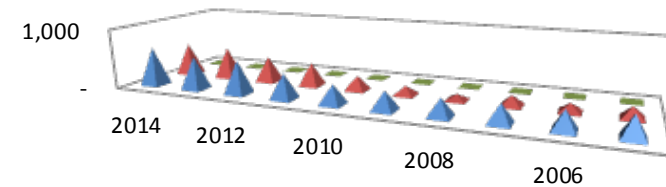
	<u>20.0%</u>	<u>20.0%</u>	<u>14.0%</u>	<u>13.0%</u>	<u>10.0%</u>	<u>9.1%</u>	<u>9.5%</u>	<u>10.7%</u>	<u>10.2%</u>	<u>12.6%</u>
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Lower Division



	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
■ AAOT/ASOT	454	573	474	418	407	319	291	302	294	356
■ Associate of General Studies	158	150	97	86	42	42	40	48	27	40
■ Associate of Science	87	61	90	54	47	38	18	21	12	23
■ Oregon Transfer Module	376	-	-	-	-	-	-	-	-	-

Technical



	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
■ Associate of Applied Science	637	548	558	418	320	307	287	307	316	351
■ Career Pathway Certificate	543	526	434	390	243	158	102	170	141	183
■ Apprentice: Associate of Applied Science	-	-	-	-	-	1	-	-	-	1

Long Range Financial Plan

2013-2017

Note: The Budget and Finance Subcommittee of the College Council is responsible for developing the Long Range Financial Plan. They will update the 2014-2018 plan during Fall 2013. The updated plan will address changing conditions seen since the 2013-2017 plan was developed.

The current tough economic times we are facing as a nation, state and college, require strong fiscal leadership and fiscal stewardship. The goals of the Long Range Financial Plan encompass a set of strategies around sustainable growth rates in operating income and expense, reinvestment in physical plant to maintain its' value over time, further development of all of our assets to create revenue for the college as well as setting the context for annual budgeting. These financial concepts, however, must be grounded in and inextricably linked to the mission and values of the college.

The Lane Community College board of education has recently approved a new mission statement, affirmed our values and approved new strategic directions. The board has also clearly articulated financial policies that guide financial planning and budgeting. The Long Range Financial Plan developed in 2004 requires updating to reflect the new realities faced by the college as well as assure that it supports the college strategic directions.

The objective of this financial plan is ultimately to achieve the mission of the college through strategic, long term thinking so that, as required by Board Policy A.040, the annual budget is developed in the context of multi-year financial planning that is a reflection of the board's priorities and other finance and budget policies of the board.

Issues Impacting Fiscal Sustainability

Lane Community College is clearly facing a challenging period in the next five years. Many issues impact the college's fiscal sustainability.

Tax Revenues

In 1990, 65% of our funding was provided by public resources – 24% from the state and 41% from local property tax. In FY12, 40% of our funding is from public sources. The State is providing \$24 million which is 24% of general fund revenue and local property taxes will add \$16 million or 16%. Today state and property tax revenues are allocated on the college's share of total FTE through the state distribution formula. In the future, performance measures of student success are expected to play a role in the distribution of public resources. The measures to be used and influence on funding are yet to be determined. However, future strategies will need to address student success and educational quality to maintain funding levels. State aid has remained relatively flat since 1997 in real terms and is on a declining trend in terms of purchasing power. These trends are a continuation of the last 10-15 years but the current and future economic environment is much more volatile than we have experienced in the past. State appropriations dropped 10% from the previous biennium in fiscal years 2009-2011. Support has been further reduced for the current biennium (fiscal years 2012-2013) by another 9% as the State of Oregon's largest revenue source, income tax, has been

severely impacted by national and global economic conditions. This continues a long term trend of reduced public funding and increased reliance on tuition as represented in the graph to the right.

The college has no assurance that state aid will increase as much as inflation in the foreseeable future. State revenue for years after FY13 is uncertain and if the trend of past years continues, it will not rise as quickly as expenses. The upcoming state revenue forecasts for the current biennium are predicted to continue the decline. Therefore, Lane should not rely on substantial increases in state revenue to meet the needs of future budgets. Furthermore, the weakness of the housing market and the increase in foreclosures has the potential to affect property tax income as well. While we are able to increase property 1-3% each year, market problems may impact collection rates which would cancel out that increase in revenue.

Tuition Rates – High Student Demand and Increasing Reliance on Tuition and Fees

The college's highest priority is to enable our students to have successful learning experiences. The failure of state aid since 2000 to increase sufficiently to cover Lane's increasing operating costs has resulted in rising tuition costs. In 2002 tuition was \$38 per credit, but for FY13 this has more than doubled to \$90 per credit. In past years Lane's board has heard from students that maintaining current service levels is their highest priority and has acted accordingly by raising tuition. However, increases in tuition directly impact accessibility of education which is also a core value of the institution. On the other hand, long class "waiting lists", state funding for credit classes declining rapidly, the "defunding" of self-improvement classes, and the inherently high costs of professional/technical programs, all indicate that higher tuition rates may be warranted in the future. Board Policy D.110 state that "the board will adjust the per credit tuition rate to reflect changes in an appropriate index for two-year public colleges since the last tuition adjustment". It also states that other adjustments may be made "periodically and as needed.....to ensure: a) that tuition revenues are appropriate for the needs of the district and, b) that Lane's tuition is comparable with other Oregon community colleges that are similar to Lane in terms of student FTE and instructional programs.

From 2004 to 2009 the board held tuition increases to the rise in inflation indexed to the Higher Education Price Index (HEPI) provided by the Common Fund Foundation. In 2009 a temporary surcharge became necessary to offset declines in state funding. Tuition now exceeds state support as the college's largest revenue source.

Ending Fund Balances

Long term institutional viability requires that expenditures not exceed revenues and maintenance of an appropriate level of fund balance to accommodate unknown challenges. To accomplish this end, Board Policy E.030 requires that the college maintain an unrestricted General Fund Ending Fund Balance of approximately 5% of budgeted expenditures and Board Policy E.020 specifies that 3% of general fund expenditures be budgeted as an unappropriated ending fund balance. While the college is currently meeting these requirements, this level is lower than recommended by professional associations and by comparison to peer institutions. The fact that the board has insisted on developing an adequate ending fund balance as well as setting aside money in the Financial Stabilization Fund allowed the college to move through additional state reductions in 2009-10 and avoid major reductions or increase tuition beyond inflation and the surcharge in the current year. Increasing uncertainty in the economic environment and the volatility of Oregon tax sources create a compelling need for a larger ending fund balance. Future financial planning should work toward that goal.

Investing in our People

The delivery of high quality learning services is, by its very nature, labor-intensive. For FY13 Lane projects spending \$76 million, out of a total general fund budget of over \$100 million, on personal services and related fringe benefits. Since three fourths of the college's financial resources are devoted to employee compensation, compensation levels are clearly a primary "driver" of expenses. Faculty and staff have worked collaboratively with the college to limit additional costs in the past and it is likely that there will continue to be pressure on the college and employees as public resources diminish. Our enrollment increase of over 35% has tested our faculty and staff capacity resulting in more part time faculty, increased workloads, fewer managers and faculty and staff that are stretched too thin. Lane has become a very "lean" organization with little or no capacity available. Attention will need to be paid to sustainable staffing patterns that align with the "new normal" in which we find ourselves.

Costs of Health Care Insurance for Employees

The Consumer Price Index indicates that medical costs have increased dramatically in recent years, nearly double the rate of increase for all goods and services. National and state efforts to limit the cost of health insurance have had minimal impact to date. The college has taken steps to reduce its future rate increases: negotiating with employees to increase their share in the payment of the insurance premiums, reduction in benefits, establishing a Section 125 plan, instituting the LIFE employee wellness program; and implementing an on-site employee medical clinic. There are few signals that there will be relief from significant increases in the near future.

Retirement Liability – PERS and Early Retirement

Due to high investment losses and the benefit structure, the Oregon Public Employees Retirement system (PERS) accrued a substantial Unfunded Actuarial Liability (UAL). In December 2003 Lane was informed by PERS that our share of the UAL exceeded \$69 million—more than the college's entire General Fund annual operating budget at the time. This amount was required to be paid (in addition to current employer contributions) to PERS at an 8% interest rate over 26 years. To minimize this annual obligation, Lane issued taxable pension bonds during April 2003 at an average interest rate of 5.8%. To the extent that PERS investment earnings average more than 8% through 2028, the college will have preserved financial resources for use in the General Fund. The payments on these pension bonds are funded annually by an increase in the college's fringe benefit (OPE) rates. Positive arbitrage on the bonds issued reduced the remaining UAL for a time but market declines in the past year have erased those gains and added to future liability. Increases in PERS costs are expected to meet those obligations going forward. This assessment is delayed due to a lag between actuarial analysis and implementation. One of the areas of rapidly increasing cost to the college has been funding post retirement benefits for faculty and a few eligible managers. These benefits include a small post retirement stipend and medical benefits. The college must set aside funding for the actuarial value of those future benefits which has jumped dramatically in recent years. For example, the most recent actuarial report states that an additional \$300,000 must be added to the fund.

Capital and Deferred Maintenance Requirements

The physical condition of many of our facilities is badly in need of major renovation or repair. The situation dramatically improved with the approval of \$83 million in bonding authority for renovations in the November 2008 election and the appropriation early in the 2009 legislative session of an additional \$8 million for deferred maintenance projects. Not every need will be met but there has been huge improvement despite

the declines in general fund revenues. This improvement is short term and does not replace the need for a more sustainable level of capital and major maintenance funding to protect the public investment in facilities. In addition, as the college develops its' master plan for the campus and surrounding land assets to generate revenue for the general fund, it is likely that investment will be required. The board recognized the need to properly maintain our facilities by adopting Policy E.050, Capital Reserve Funds, which requires that Lane reserve funds to adequately maintain and repair college facilities. The policy states that "It is expected that full funding of these reserves will take place over a number of years and that annual transfers to these reserves will be budgeted from the General Fund and other sources as appropriate". Recent budgets have not been able to make transfers to this fund and requirements continued to be deferred. Therefore, careful consideration needs to be given to creating adequate reserves for this purpose.

Underfunding of Equipment Replacement

Similarly, as a result of stagnation in public resources, instructional and support services equipment has not been replaced at the end of its economic life. We have been "making do" with outdated equipment in our efforts to commit the maximum financial resources to direct instruction. The result is that equipment needs continue to grow as replacement needs outstrip available funding for capital equipment. This shortfall has been mitigated in part by federal Carl Perkins grants and replacement related to bond projects. Both Board Policy E.050 and E.010 address this issue. Reserves ensure that funds are available for emergencies and for needs in years where capital expenditures are expected to be higher than average.

Policy Environment

The apparent intractability of these issues, and the fact that some of them are not within the college's control to solve, present unprecedented challenges for the college going forward. The board has had many policies in place for a number of years that should guide the future. Board Policy E.010: Definition of a Balanced Budget is already in place and must provide the backdrop for our long term financial plan and fiscal sustainability. It requires that the college "permanently stabilize its finances in their entirety (operating budget, reserves, contingencies and ending fund balance) when it perceives a long term change (increase or decrease) to its available recurring resources". Unfortunately, the most likely scenario for the college in terms of public funding is a decline in investment for the foreseeable future. This means that some of the strategies that the college has employed, anticipating shorter term decreases in public resources, may no longer be viable and more attention needs to be paid to longer term strategies and implementing the components of Board Policy E.010 as described below:

- Annual operating expenditures not to exceed projected revenues (Expenditures shall be budgeted according to the college's strategic priorities.)
- Debt service, both current (due in less than 12 months) and long term
- Reserves for maintenance and repairs to its existing facilities
- Reserves for acquisition, maintenance and replacement of capital equipment
- Reserves for strategic capital projects
- Funding levels to fulfill future terms and conditions of employment, including early retirement benefits
- Allocations for special projects related to the strategic directions of the college
- Allocations for contingencies (unforeseen events requiring expenditures of current resources)
- Ending Fund Balances (according to policies set specifically for that purpose)

Strategies to Reduce Cost or Improve Revenue

The college has responded to this turbulent economic environment by focusing institutional practices to enhance the long term fiscal sustainability while continuing to focus on the quality of student learning and success. The core values of *Sustainability, Collaboration and Partnership*, and *Innovation* as well as board policies form the scaffolding on which the principles and operational strategies are derived.

To assure a balanced budget in the face of declining tax revenue the college will adopt the following strategies:

Fiscal Sustainability

1. Enrollment Management
 - a. Achieve modest growth through targeted initiatives
 - b. Increase tuition only as necessary and appropriate to the needs of the district
 - c. Examine the need/potential for online services and fees to enhance capacity, cost effectiveness and student choice
 - d. Use differential fees to offset the cost of high cost programs to ensure equity in public support
 - e. Pursue quality progression and completion initiatives to ensure stable enrollment levels and student success
2. Cost Control
 - a. Review all positions for alignment with strategic priorities before filling
 - b. Redesign to drive instruction and service efficiencies
 - c. Implement innovations that are fiscally sustainable
 - d. Fund new recurring activities through reallocation of current resources or new revenues created by those activities
3. Ending Fund Balance and Reserve Management

Board Policy E.030 defines a minimum ending fund balance of 5%. The practical minimum however is an average quarterly state payment as the college is required to cash flow the last quarter of each biennium, when the state payment is deferred. Ending Fund Balances in excess of the minimum 5% may be allocated for one-time expenditures or reserves. Board Policy E.040 provides for a Stabilization Reserve Fund which the board funded in the previous biennium to cushion anticipated contingencies in the FY12-13 biennium. Currently \$1.5 million of the \$3.5 million administratively reserved balance is anticipated to be used during FY12. Board Policy E.050 provides for a Capital Reserve Fund which is essential for providing security for unanticipated capital emergencies and strategic opportunities. This fund has not yet been established.

4. Strategies for Extraordinary Reductions

In the event of a significant reduction in budget resources that are beyond the capability of normal cost controls or enrollment management, the college will pursue the following strategies:

- a. Review all future commitments for elimination. Contracts or positions where a hiring commitment has not yet been extended should be considered for deferral when possible
- b. Review opportunities to reduce existing commitments. Explore in partnership with bargaining units the possibility of deferring agreed to compensation increases or benefit adjustments. Explore opportunities to reduce level of service on existing contracts.
- c. If the shortfall is expected to be temporary review availability of reserves to close the gap. If the change is expected to be long term all reserves should be retained to for expected costs of transition to lower levels of service.
- d. Consider what the college could stop doing. Candidates for elimination will be evaluated according to objective criteria contained in Appendix B. Identity of academic disciplines, service functions, or names of individuals potentially affected will be strictly confidential. Access to such information will be limited to those with a requirement to know such as those conducting the evaluation.

Educational Sustainability

As fiscal pressure from declining public revenue and increasing costs mount, there will be a need to both decrease costs and increase productivity. These are worthwhile objectives but both carry the risk of decreasing the quality of education. For example, the uncertainty surrounding enrollment increases requires that additional staffing be part time and temporary in order to avoid long term personnel commitments that may not be sustainable in the future if enrollment recedes to historical averages. Capital investments necessary to update technology are challenging when basic operating needs remain unmet. In addition, the need to reduce costs may cause students to fear that their desired courses may not always be available and inhibit their embarking on an educational path for fear of being unable to finish. With greater emphasis on student success outcomes the need for quality education is greater than ever and may have a fiscal impact as funding becomes linked to performance.

Collaboration and Partnership:

Expand fiscal effectiveness through partnership

1. Partner with 2 and 4-year colleges and universities to implement quality progression and completion initiatives
2. Nurture connection with high schools through College Now, RTEC and other programs
3. Expand workforce development programs and activities such as the Small Business Development Center
4. Build capacity in Lane's foundation to increase partnerships, grants and external fundraising

Innovation:

Create revenue through entrepreneurial activities

1. Develop entrepreneurial activities such as the International Programs and Downtown Campus Housing and reinvest income in further revenue generation and mission fulfillment
2. Cultivate enterprise activities such as laundry, printing and graphics
3. Facility rental and programming
4. Long Range Facility Planning to generate revenue through real estate resources
5. Leverage Web 2.0 and other technologies to drive operational efficiencies and student success
6. Pursue grants and external resources to fund research and development

Annual Budget

The annual budget for the college is developed in the context of the Long Range Financial Plan. The annual budget starts from today's allocation of resources and projects forward making assumptions about the economy and Lane's plans and choices (Appendix A). The model relies upon information provided by many departments and programs that feed updated information on costs and priorities each year as well as information from the external environment. There are key principles (Appendix B) that translate mission into decisions about the allocation of resources. For example, we value retaining all of our employees (no lay-offs). There are also external factors such as state funding and capital market changes that impact the budget. It is the assessment and balancing of these factors that lead to the development of projections and ultimately the annual budget. The annual budget reflects college priorities and new initiatives and assesses the viability of these plans against the principle of long term fiscal sustainability and the constraints of the external environment. The annual budget is built on the following principles and using a board approved set of assumptions as described in the appendices. Also, it should be noted, units use a set of criteria and data elements (Appendix B) in guiding their planning at the unit level.

Appendix A: Budget Assumptions and Projections

The following assumptions are being reviewed to determine budget requirements and available resources for the annual budget.

Revenue Assumptions**Total Public Resources:**

Public resources budgets are obtained from a distribution model produced by the state Community College and Workforce Development Department (CCWD) which projects the college's share of the Community College Support Fund (CCSF) and an estimate of local property taxes. The largest variable in the distribution model is the amount of the state appropriation to the CCSF. For example, the amount appropriated for the FY12-13 biennium is \$395 million. FY12 disbursements will be based on funding at \$410 million and the FY13 projection will also assume that level but there is a risk in FY13 of not receiving the amount currently held back. Property taxes normally increase slightly each year; however due to rapidly declining tax collectability, property values, and loss of local business properties it is most likely that property tax revenues in the next biennium will continue at the current level of \$15.5 million a year.

Tuition:

The tuition assumption is based on prior year's collections plus growth assumptions and price increases. The enrollment growth factor is determined each year and tuition increases will be an estimated 2.3% increase based on the Higher Education Price Index (HEPI) for FY12.

Student Fees:

These are mandatory curriculum related fees such as the student government fees, transportation and technology fees, student health clinic, athletics and required fees for certain courses. Most fee revenue is offset by a direct expense such as the LTD pass. All instructional fees are treated as administratively restricted revenue.

Non Mandatory Fees:

These are fees that are associated with a course but not mandatory due to registration such as flight technology flying time, health professions equipment and optional class supplies. These will be based on growth assumptions.

Other Fees and Charges:

These are child care fees, collection fees, conference fees, facility rental, Library fees, traffic fines etc., typically projected at the current level.

Administrative Recovery

Bookstore minimum contribution of \$250,000 a year and administrative fees from grant and financial aid support. Projected at current levels.

Gifts and Donations:

Most gifts and donations to the college go to the Foundation. This is mostly KLCC fundraising accounted for in Fund 9. Projected at current levels.

Grants/Contracts:

Most grant revenue is accounted for in Fund 8. This category accounts for minor exceptions that may need to come directly to offset a general fund expense. Projected at current levels.

Interest Income:

This is primarily interest from general fund cash invested in the Local Government Investment Pool (LGIP). Projected at current levels, but will likely be lower due to low short term rates in the current market.

Other Revenue:

While the title implies a wide variety of revenue, this comes almost entirely from two sources. These are the foundation reimbursement for Foundation payroll, and PeachHealth contribution for nursing faculty. Projected at current levels.

Sale of Goods and Services:

This is KLCC underwriting, sales of student materials by departments, culinary sales and Business Development Center contracts. Projected at current levels.

Transfers In:

These are transfers from the Center for Meeting and Learning and Food Services portion of the Enterprise Fund (Fund 6) to support general fund faculty expense in culinary arts. Projected at current levels.

Expense Assumptions**Personal Services:**

This is tied to funded contracted positions budgeted for the prior year. Projection scenarios will vary with assumptions regarding unfunded vacancies, steps or COLA depending on whether contracts are settled with employee groups. OPE rate is recalculated each year and is currently 59% for full time and 35% for part time.

Personal Services – P/T

Compensation for part time faculty based on the college enrollment model and historic requirements for part time staff expense.

Materials and Services:

Includes all operating costs such as interest expense, supplies, contracts, utilities, repairs, etc. Projected but underfunded at current levels as there is annual erosion in purchasing power due to supply and utility increases.

Capital Outlay:

Funds capital investments such as library books and classroom equipment. Requirement tied to the Capital Asset Replacement schedule. Projected at current levels. Normally driven by the Capital Assets Replacement Forecast (CARF) but that has remained underfunded in recent years.

Goods for Resale:

This is the cost of goods for the revenue recorded in the Sales of Goods and Services category.

Transfers Out:

These are transfers from the general fund to fund requirements in other funds for capital improvements and major maintenance projects.

Transfers Out – Financial Aid

This is a transfer from the general fund to the Financial Aid Fund (Fund 5) to provide matching funds for Federal Work Study and funds the college Learn and Earn program for student workers. It also funds athletic scholarships. It is projected to increase at the HEPI rate.

Fund IX – Administratively Restricted

Fund IX was created in the FY03 budget to separate from the General Fund those units that rely entirely or primarily on resources other than state revenues, local property taxes and other general use revenues. For the purposes of maintaining historical trends and in order to properly monitor these units, Fund IX revenues and expenditures are included in budget projections.

Appendix B: Principles, Criteria and Data Elements for Unit Planning

These budget principles, criteria and data elements are used regularly by units to inform planning and budgeting at the unit level. In addition, they are used by committees allocating sources such as student tech fee and Perkins Grants. In the event of budget or program reductions these elements will inform those decisions.

Budget planning at Lane will be guided by the following principles:

1. Budget planning will be guided by the college strategic plan, unit plans, council plans and other planning efforts.
2. Budgets will focus on furthering the college mission.
3. Budgets must meet legal, contractual and accreditation obligations.
4. Budgets must meet board policies and involve as much input from the college community as possible
5. Maximize revenue generation balanced with accessibility and affordability.
6. Invest in new activities that maximize future revenue.
7. Support student enrollment, retention, success and learning while minimizing negative impact of budget constraints on quality of student services, instruction and college infrastructure.
8. Maximize investment in technology or streamlined work processes that will save resources.
9. Maintain ability to respond to community needs.
10. Avoid involuntary layoffs of permanent employees
11. Maintain existing facilities and equipment well and upgrade as needed.
12. Benchmark to best practices while recognizing intentional variations between Lane and national norms.
13. Using data and objective criteria in planning and resource allocation.

INSTRUCTIONAL PROGRAMS

Criteria	Data Element
Enrollment – demand	5-year Enrollment History; future trends
Program – Discipline cost	Cost per FTE; revenue; comparisons with selected Oregon colleges
Retention	Student Persistence at the institutional level; course completion
Capacity – Utilization	Capacity Analysis – class fill rate; student: faculty FTE
Essential courses required for degree/certificate	Student enrollment in required courses
Availability of jobs (for CT programs)	Employment Department data
Wages (for CT programs)	Employment Department data
Job Placement (for CT programs)	Employment Department data

STUDENT SERVICES

Criteria	Data Element
Enhances Student Engagement	Number of service contracts Number of unduplicated participants Demographics of individuals served Other evidence of enhancing engagement
Enhances Student Learning	Enhanced student persistence Enhances one of five benchmarks from the Community College Survey of Student Engagement (Active & Collaborative Learning, Student Effort, Faculty/Staff and Student Interactions, Academic Challenge, Support for Learners) Other evidence of enhancing learning
Enhances Student Satisfaction	ACT Satisfaction data CCSSE satisfaction data Other evidence of enhancing satisfaction

STUDENT SERVICES (continued)

Criteria	Data Element
Requirement for Service	Essential to completing a business process with students Essential to an effective educational experience Legally mandated
Uses resources efficiently	Comparison of faculty/staff to student ratios to national association standards and best practices. Develop appropriate institutional benchmarks Demand/capacity analysis (i.e., waitlists, complaints about access, etc.) Total general fund budget Budget from other sources (i.e., student fees, grants, etc.) Other evidence of efficient use of resources
Note: Because Student Services are so diverse, it is difficult or impossible to use a standard set of data elements for every service	

COLLEGE SERVICES

Criteria	Data Element
Service is essential to operation of the institution	Consequences of not having service Citation(s) for legal requirements (e.g. governing ORS, federal code, IRS and audit requirements)
Cost of service	Total General Fund support for service (offset by service charges) Service charges and other revenue that offset GF support Revenue directly provided to GF by service
Service is cost effective	Comparison to industry standards (e.g. housekeeping sq. ft./staff FTE, # of desktops/IT technician). Develop appropriate institutional benchmarks Cost comparisons with similar outside services Cost savings for college compared to cost of service
Service is utilized	Customer counts Service logs Number of transactions

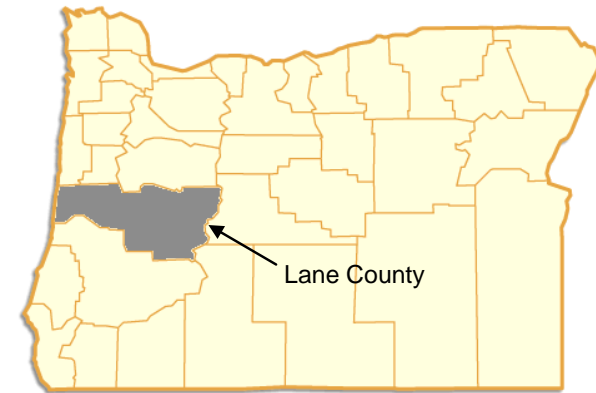
Local and Regional Information

Lane County, Oregon

Lane County was established in 1851. Covering 4,722 square miles from the Pacific Ocean to the Cascade Mountains, the county has three unique climate zones: the Willamette Valley, the Coast, and the Cascade Mountains. Although 90 percent of Lane County is forest land, Eugene and Springfield comprise the second largest urban area in the state (second to Portland). Lane County is renowned for its beautiful topography and climate and outdoor recreational opportunities.

Lane County Fast Facts:

- County Seat: Eugene, Oregon
- Average Temperatures: January: 46° , July: 87°
- Annual Precipitation: 46"
- Population: 358,337
- Median Age: 39 years
- Assessed Value: \$29,173,767,897
- Real Market Value: \$48,881,038,585
- Principle Industries: Lumber & wood manufacturing, Health care, Government, Agriculture, Tourism, Retail Trade and Education
- Top 10 Employers: PeaceHealth, University of Oregon, Eugene School District, Lane County Government, State of Oregon, US Government, City of Eugene, Springfield School District, Lane Community College and Wal-Mart.
- Top 10 Taxpayers: IP Eat Three, Comcast, Valley River Center, Symantec, Shepard Investment Group, NW Natural, Century Link, Verizon, Gateway Mall Partners and Weyerhaeuser.



Economic Indicators:

Indicator	Lane County	Oregon
Labor Force	151,900	1,768,900
Median Home Value	\$255,140	\$286,540
Median Household Income	\$43,459	\$50,251
Per Capita Personal Income	\$24,224	\$26,809
Population	358,337	3,970,239
Unemployment Rate	5.6%	5.3%

Sources: www.quickfacts.census.gov www.qualityinfo.org www.lanecounty.org www.city-data.com www.ncdc.noaa.gov www.usclimatedata.com www.bls.gov

Economic Forecast

State of Oregon Office of Economic Analysis
May 2015

EXECUTIVE SUMMARY

The national economy continues to strengthen, however for the first time in a while, not every economic indicator is rosy. In particular the manufacturing sector has clearly softened in recent months. Much of the slowdown can be directly attributed to the oil and gas industry, where substantially lower energy prices have reduced new investment and employment. While such impacts were expected in the near-term, weakness in consumer spending was not. To a large degree, consumers are saving much of their gasoline-related windfall, resulting in slower sales growth than expected.

Given the ongoing strengthening in the labor market, nascent signs of wage growth picking up and the recent weights on the economy being eliminated, this recent slowdown in consumer spending is expected to be mostly a timing issue. Moving forward consumers will not only have the financial wherewithal, but also the belief and confidence to increase their purchases to match the underlying improvement in the economy.

Unlike the nation that is growing at a modest pace, Oregon's economy is experiencing full-throttle growth today. Jobs and income are increasing as fast, if not faster than during the mid-2000s. Given demographic trends, such rates of growth are considered full throttle. As in past expansions, Oregon has regained its traditional growth advantage relative to other states. Much of this advantage can be attributed to the state's industrial structure and strong in-migration flows. More important are the indications that Oregon is seeing a deeper labor market recovery. Wages for the average Oregon worker are increasing quicker than in the typical state, and the labor force is growing.

While growth rates, and the trajectory of the economy have improved considerably, Oregon is not yet fully healed from the Great Recession. The state's labor market is nearly two-thirds of the way back to pre-recession levels and should reach full employment over the course of the upcoming 2015-17 biennium. After which time, net growth rates are likely to slow significantly over the longer horizon as the Baby Boomers fully age into their retirement years.

Growth in Oregon's General Fund revenues has been very rapid this fiscal year, rivalling the gains seen during the technology and housing booms. Gains have been broad-based across Oregon's primary revenue instruments, due both to a healthy job market as well as to solid growth in taxable investments and business income. Even lottery sales, which have been relatively dormant for years, are now expanding at a solid clip.

As expected, the personal income tax filing season turned out to be a big one for revenue collections due to large gains in reported business profits and investment income. Realizations of capital gains nearly doubled on the year. While the big April filing season was expected, the full impact of Oregon's rapid job gains and wage growth was not. As a result of booming labor-related income tax collections, it is now highly likely that a personal income tax kicker payment will be triggered at the end of the biennium.

The May 2015 outlook assumes that revenues included in the personal income tax kicker base will exceed the kicker threshold by \$182 million at the end of the biennium. Should this outlook hold true, a personal income tax kicker of \$473 million will be generated. Due to actions taken by the 2011 Legislature, this potential kicker payment will take the form of a credit on 2015 tax returns rather than being issued as a check at the end of the year.

Despite the larger expected kicker payment, the May revenue outlook now calls for a significant increase in available resources for the upcoming biennium. Widespread optimism is now being voiced by a diverse chorus of local businesspeople and economic forecasters. This optimism has been translated into increased expectations for job growth and taxable wage gains. The March 2015 forecast was an aggressive one, calling for job gains over the upcoming biennium matching the best two years of the housing boom. Even so, business sentiment in Oregon has become so bullish that a strong majority among our office's advisory group members pushed for significantly more growth to be added over and above what was assumed in the March forecast.

Although the May 2015 forecast provides more wiggle room for budget writers, none of the additional revenue called for in the outlook has come in the door to date. Business sentiment is fickle, and can sour overnight. With such a large amount of downside risk facing the near-term revenue outlook, well-stocked reserve funds are a must. Despite a few bad national indicators, it does not look as though the wheels are about to fall off the economic recovery anytime soon. If Oregon's businesses and households are as confident about the future as they say they are, their combined hiring and spending should go a long way toward ensuring that their bullish expectations come true.

Oregon's population growth has accelerated in recent years and 2014's growth ranked 13th fastest in the nation. Based on the current forecast, Oregon's population will reach 4.35 million in the year 2022 with an annual rate of growth of 1.16 percent between 2014 and 2022. Such growth rates are below historical expansions when Oregon's population regularly increased closer to 2 percent, or more.

Oregon's economic condition heavily influences the state's population growth. Its economy determines the ability to retain the existing work force as well as attract job seekers from national and international labor markets. As the baby-boom generation ages into retirement, the relative share of the Oregon population in their prime working years will continue to shrink. This important demographic group will continue to grow in number, but as a share it will erode, placing downward pressure on economic and revenue growth rates moving forward.

Oregon Labor Market

The Office of Economic Analysis examines four main sources for jobs data: the monthly payroll employment survey, the monthly household survey, monthly withholding tax receipts and the quarterly census of employment and wages. Right now all four measures of the labor market are showing relatively strong improvements with jobs being added, wages increasing and the unemployment rate declining. At 5.4 percent in March, 2015 the unemployment rate may overstate the strength of the labor market today. In particular, if one digs into the underlying data in the so-called household survey, it shows that while employment is growing quickly, the number of unemployed Oregonians is dropping fast. Coupling these trends with a relatively flat labor force in recent months (still up over the year, but flat recently) drives the unemployment rate down sharply. In fact, the decline in the unemployment rate from December 2014 to March 2015 is the largest seen on record in Oregon, with reliable data going back to 1976.

However, given the relatively small sample size (about 1,000 Oregon households) and noisy underlying data, once revisions are taken into account, it is possible that the recent months' pattern will differ when the dust settles. Nevertheless, there is no doubt that Oregon has seen considerable improvement in its underlying economy. The unemployment rate had been, and should continue to decline, and largely for the right reasons.

More importantly, wages in Oregon are increasing at nearly 8 percent per year, which is better than during the mid-2000s expansion but still a notch below the 1990s gains of 10 percent per year. Average wages per worker are currently increasing over 3 percent per year, which is slightly above the rate of inflation. However real wages have increased less than one half of one percent per year since 2000. As economic conditions continue to improve, expectations are that real average wages will pick up further as well, rising along the lines of 2 percent.

The most recent job growth rankings, published by Arizona State University's W.P. Carey School of Business, places Oregon 5th in the nation for job growth in March. Over the past year the state has added 58,000 jobs, or an increase of 3.5 percent. For comparison and to show Oregon's acceleration over the past couple of years, in 2013 Oregon ranked 11th fastest with growth of just 2.1 percent.

Overall, getting a handle of the health of Oregon's labor market is being somewhat complicated by technical issues within the underlying payroll jobs data. For this reason the employment data in our office's forecast is adjusted for two important technical purposes: seasonality at the detailed industry level and the upcoming benchmark revisions.

In the first quarter, total nonfarm employment increased 3.2 percent over the past year with the private sector growing at 3.4 percent and the public sector at 2.4 percent. These rates of growth are the best Oregon has experienced since 2006, or the height of the housing boom.

As has been the case in the recovery to date, jobs in the large service sector have led growth in terms of outright job gains and above-average growth rates. These include jobs in professional and business services, health services, and leisure and hospitality industries. These three industries have gained 26,100 jobs in the past year and account for 48 percent of all job gains across the state. The good news is in the past year and a half, this share is becoming smaller as other industries continue to strengthen.

Currently, five major industries, which account for 40 percent of statewide jobs, are at all-time highs. Private sector education, health, and food manufacturing never really suffered recessionary losses – although their growth did slow during the recession. Professional and business services and leisure and hospitality have each regained all of their losses and are leading growth today.

With the Great Recession being characterized by a housing bubble, it is no surprise to see wood products, construction, mining and logging and financial services (losses are mostly real estate agents) among the hardest hit industries. These housing and related sectors are now beginning to recover, although they still have much ground to make up. Transportation equipment manufacturing suffered the worst job cuts and is likely a structural decline due to the RV industry's collapse. With that being said, the subsectors tied to aerospace are doing well and the ship and boat building subsector is growing again. Metals and machinery manufacturing, along with mining and logging, have shown the largest improvements since the depths of the recession.

Coming off such a deep recession, and with a strong manufacturing cycle today, the goods-producing industries have and will exhibit stronger growth than in past cycles. Although, even with relatively strong manufacturing gains today, the industry is unlikely to fully regain all of its lost jobs. Oregon manufacturers typically outperform those in other states, in large part due to the local industry make-up. Oregon does not rely upon old auto makers or textile mills. The state's manufacturing industry is comprised of newer technologies like aerospace and semiconductors. Similarly Oregon's food processing industry continues to boom.

All told, each of Oregon's major industries has experienced some growth in recovery, albeit uneven. As the economy continues to recover there will be net winners and net losers when it comes to jobs, income and sales. Business cycles have a way of restructuring the economy.

Population and Demographic Outlook

Oregon's population count on April 1, 2010 was 3,831,074. Oregon gained 409,550 persons between the years 2000 and 2010. The population growth during the decade of 2000 to 2010 was 12.0 percent, down from 20.4 percent growth from the previous decade. Oregon's rankings in terms of decennial growth rate dropped from 11th between 1990-2000 to 18th between 2000 and 2010. Oregon's national ranking in population growth rate has dropped further to 20th between 2010 and 2014 lagging behind all of the neighboring states. Slow population growth during the decade preceding the 2010 Census characterized by double recessions probably cost Oregon one additional seat in the U.S. House of Representatives. Actually, Oregon's decennial population growth rate during the most recent decade was the second lowest since 1900. As a result of recent economic downturn and sluggish recovery, Oregon's population increased at a slow pace in the recent past. However, Oregon's population growth in 2014 rebounded nicely and ranked 13th fastest in the nation. Based on the current forecast, Oregon's population will reach 4.35 million in the year 2022 with an annual rate of growth of 1.16 percent between 2014 and 2022.

Oregon's economic condition heavily influences the state's population growth. Its economy determines the ability to retain existing work force as well as attract job seekers from national and international labor market. As Oregon's total fertility rate remains below the replacement level and number of deaths continue to rise due to ageing population, long-term growth comes mainly from net in-migration. Working-age adults come to Oregon as long as we have favorable economic and employment environments. During the 1980s, which include a major recession and a net loss of population during the early years, net migration contributed to 22 percent of the population change. On the other extreme, net migration accounted for 73 percent of the population change during the booming economy of 1990s. This share of migration to population change declined to 32 percent in 2010, lowest since early 1980s when we actually had negative net migration. As a sign of slow to modest economic gain, the ratio of net migration-to-population change will increase gradually and will reach 79 percent by the end of the forecast horizon due largely to rising number of deaths among elderly population associated with increasing elderly population. Although economy and employment situation in Oregon looked stagnant in the recent past, migration situation was not similar to the early 1980s pattern of negative net migration. Potential Oregon out-migrants had no better place to go since other states were also in the same boat in terms of economy and employment. California is the number one state of origin of migrants to Oregon. As California's housing market improves, we expect positive impact on Oregon's net migration.

Age structure and its change affect employment, state revenue, and expenditure. Demographics are the major budget drivers, which are modified by policy choices on service coverage and delivery. Growth in many age groups will show the effects of the baby-boom and their echo generations during the period of 2014-2022. It will also reflect demographics impacted by the depression era birth cohort combined with diminished migration of the working age population and elderly retirees. After a period of slow growth during the 1990s and early 2000s, the elderly population (65+) has picked up a faster pace of growth and will surge to the record high levels as the baby-boom generation continue to enter this age group. The average annual growth of the elderly population will be 3.9 percent during the forecast period as the boomers continue to enter retirement age. However, the youngest elderly (aged 65-74) will grow at an extremely fast pace in the near future exceeding 5 percent annual rate of growth due to the direct impact of the baby-boom generation entering the retirement age and smaller pre-baby boom cohort exiting the 65-74 age group. Reversing several years of slow growth and shrinking population, the elderly aged 75-84 started to show a positive growth as the effect of depression era birth-cohort will dissipate. An unprecedented fast pace of growth of population in this age group will begin once the baby-boom generation starts to mature into 65-74 age group. The oldest elderly (aged 85+) will continue to grow at a moderately but steady rate due to the combination of cohort change, continued positive net migration, and improving longevity. The average annual rate of growth for this oldest elderly over the forecast horizon will be 1.5 percent.

As the baby-boom generation matures out of oldest working-age cohort combined with slowing net migration, the once fast-paced growth of population aged 45-64 has gradually tapered off to below zero percent rate of growth by 2012 and will remain at slow or below zero growth phase for several years. The size of this older working-age population will remain virtually unchanged at the beginning to the end of the forecast period. The 25-44 age group population is recovering from several years of declining and slow growing trend. The decline was mainly due to the exiting baby-boom cohort. This age group has seen positive growth starting in the year 2004 and will increase by 1.5 percent annual average rate during the forecast horizon mainly because of the exiting smaller birth cohort following the baby-boom cohort. The young adult population (aged 18-24) will remain nearly unchanged over the forecast period. Although the slow or stagnant growth of college-age population (age 18-24), in general, tend to ease the pressure on public spending on higher education, college enrollment typically goes up during the time of high unemployment and scarcity of well-paying jobs when even the older people flock back to colleges to better position themselves in a tough job market. The growth in K-12 population (aged 5-17) will remain low which will translate into slow growth in school enrollments. This school-age population has actually declined in size in recent past years and will grow in the future at well below the overall state average. The growth rate for children under the age of five has remained below or near zero percent in the recent past due to the sharp decline in the number of births. This cohort of children will see steady positive growth only after 2015. Although the number of children under the age of five declined in the recent years, the demand for child care services and pre-Kindergarten program will be additionally determined by the labor force participation and poverty rates of the parents. Overall, elderly population over age 65 will increase rapidly whereas population groups under age 65 will experience slow growth in the coming years. Hence, based solely on demographics of Oregon, demand for public services geared towards children and young adults will likely to increase at a slower pace, whereas demand for elderly care and services will increase rapidly.

Revenue Outlook

Revenue Summary

Growth in Oregon's General Fund revenues has been very rapid this fiscal year, rivalling the gains seen during the technology and housing booms. Gains have been broad-based across Oregon's primary revenue instruments, due both to a healthy job market as well as to solid growth in taxable investments and business income. Even lottery sales, which have been relatively dormant for years, are now expanding at a solid clip.

As expected, the personal income tax filing season turned out to be a big one for revenue collections due to large gains in reported business profits and investment income. Realizations of capital gains nearly doubled on the year. While the big April filing season was expected, the full impact of Oregon's rapid job gains and wage growth was not. As a result of booming labor-related income tax collections, it is now highly likely that a personal income tax kicker payment will be triggered at the end of the biennium.

The May 2015 outlook assumes that revenues included in the personal income tax kicker base will exceed the kicker threshold by \$182 million at the end of the biennium. Should this outlook hold true, a personal income tax kicker of \$473 million will be generated. Due to actions taken by the 2011 Legislature, this potential kicker payment will take the form of a credit on 2015 tax returns rather than being issued as a check at the end of the year.

Despite the larger expected kicker payment, the May revenue outlook now calls for a significant increase in available resources for the upcoming biennium. Widespread optimism is now being voiced by a diverse chorus of local businesspeople and economic forecasters. This optimism has been translated into increased expectations for job growth and taxable wage gains. The March 2015 forecast was an aggressive one, calling for job gains over the upcoming biennium matching the best two years of the housing boom. Even so, business sentiment in Oregon has become so bullish that a strong majority among OEA's advisory group members pushed for significantly more growth to be added over and above what was assumed in the March forecast.

Although the May 2015 forecast provides more wiggle room for budget writers, none of the additional revenue called for in the outlook has come in the door to date. Business sentiment is fickle, and can sour overnight. With such a large amount of downside risk facing the near-term revenue outlook, well-stocked reserve funds are a must.

Bullish consumer and business sentiment notwithstanding, Oregon's economy does not appear to be quite as healthy from an empirical perspective as it was a few months ago. Some fault lines are now beginning to emerge among regional economic indicators, which were universally positive in the recent past. Nevertheless, despite a few bad indicators, it does not look as though the wheels are about to fall off the economic recovery anytime soon. If Oregon's businesses and households are as confident about the future as they say they are, their combined hiring and spending should go a long way toward ensuring that their bullish expectations come true.

Although the primary downside risk facing the near-term revenue forecast is the uncertain future of the economic expansion, there is also a considerable amount of uncertainty surrounding the outlook for corporate excise taxes. Corporate collections are notoriously volatile, often doubling or being halved in any given year. With many significant corporate tax law changes having been passed in recent years, historical tax collections may not provide an accurate picture of what is to come. Adding to this complexity, the Oregon Department of Revenue has recently replaced its corporate tax processing system, which has made comparing collections over time even more difficult.

Revenue growth in Oregon and other states will face considerable downward pressure over the 10-year extended forecast horizon. As the baby boom population cohort works less and spends less, traditional state tax instruments such as personal income taxes and general sales taxes will become less effective, and revenue growth will fail to match the pace seen in the past.

2013-15 General Fund Revenues

General Fund revenues closely matched expectations for most of the 2013-15 biennium, until labor-related personal income tax collections began to take off last winter. General Fund revenue growth has continued to accelerate during 2015, with personal and corporate income taxes now expanding at double-digit rates. With more taxable income of all types, the May forecast expects that both personal and corporate tax kickers will be triggered.

The forecast for gross General Fund revenues for 2013-15 is now \$16,167 million. This represents an increase of \$166 million (+1.0%) from the March 2015 forecast. The May 2015 forecast for the 2013-15 biennium is \$525 million (3.4%) above the Close of Session forecast.

Source: <http://www.oregon.gov/DAS/oea/docs/economic/forecast0515.pdf>

Legal Notifications

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AFFIDAVIT OF PUBLICATION

STATE OF OREGON, }
COUNTY OF LANE, } ss.

I, Wendy Raz, being first duly affirmed, depose and say that I am the Advertising Manager, or his principal clerk, of The Register-Guard, a newspaper of general circulation as defined in ORS 193.010 and 193.020; published at Eugene in the aforesaid county and state; that the **Notice of Budget Committee Meeting** printed copy of which is hereto annexed, is publishing in the entire issue of said newspaper for one successive and consecutive Day(s) in the following issues:

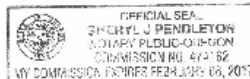
May 06, 2015

NOTICE OF
BUDGET COMMITTEE MEETING
A public meeting of the Budget Committee of the Lane Community College, Lane County, State of Oregon, on the budget for the fiscal year July 1, 2015 to June 30, 2016, will be held at LCC Main 4000 E. 33rd Ave., Eugene OR. The meeting will take place on May 21, 2015 at 5:00 p.m.
The purpose of the meeting is to receive the budget message. This is a public meeting where deliberation of the Budget Committee will take place.
An additional possible meeting of the Budget Committee will be held to take public comment. Any person may speak at the meeting and discuss the proposed programs with the Budget Committee. The meeting for public comment will be on May 26, 2015 at 5:00 p.m. held at LCC Main 4000 E. 33rd Ave., Eugene OR.
A copy of the budget document may be inspected or obtained on or after May 21, 2015 at 10:00 a.m. at Lane Community College, 4000 E. 33rd Ave., Eugene OR 97405.
W. RAZ - May 6, 2015

Wendy Raz

Subscribed and affirmed to before me this May 6, 2015

Sheryl J. Pendleton
Notary Public for Oregon



Account #: 1000275

INVOICE 6294408

Case: May 13, 2015

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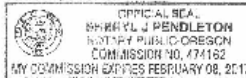
STATE OF OREGON, } ss.
COUNTY OF LANE, }

I, **Wendy Raz**, being first duly affirmed, depose and say that I am the Advertising Manager, or his principal clerk, of The Register-Guard, a newspaper of general circulation as defined in ORS 193.010 and 193.020; published at Eugene in the aforesaid county and state; that the **Notice of Budget Meeting** printed copy of which is hereto annexed, is publishing in the entire issue of said newspaper for **one** successive and consecutive **Day(s)** in the following issue:

June 03, 2015

Subscribed and affirmed to before me this June 3, 2015

Notary Public of Oregon



Account #: 1000275
INVOICE 6321101
Case: June 10, 2015
Ad Price: \$445.0

NOTICE OF BUDGET MEETING

A public meeting of the Lane Community College Board of Education will be held on June 10, 2015 at 5:00pm at Lane Community College, Room 210, 2100 NE Oregon Street, Eugene, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2015 as approved by the Lane Community College Board of Education. A summary of the budget is attached as a separate notice. A copy of the budget may be reviewed or obtained at Lane Community College, Room 210, 2100 NE Oregon Street, Eugene, Oregon, or at the Lane Community College website, www.lanecc.edu/budget, beginning on June 10, 2015. The budget will be available for review and comment from June 10, 2015 to June 17, 2015. The budget will be adopted by the Board of Education on June 17, 2015. The budget will be published in the Register-Guard on June 17, 2015. The budget will be available for review and comment from June 10, 2015 to June 17, 2015. The budget will be adopted by the Board of Education on June 17, 2015. The budget will be published in the Register-Guard on June 17, 2015.

FINANCIAL SUMMARY - 2015-2016

	Actual	Approved	Approved
	2014-15	2014-15	2015-16
	2013-14	2014-15	2015-16
TOTAL OF ALL FUNDS	\$20,179,965	\$4,524,371	\$24,704,336
Register-Guard Sales	\$2,104,647	\$2,112,450	\$2,145,434
Quinn-Cramer Trusts, Net of Tax	\$45,342,163	\$41,413,811	\$37,279,245
Local Taxation Funds	\$0	\$0	\$0
Tuition and Fees	\$1,111,581	\$1,111,581	\$1,111,581
Other Revenue from Local Sources	\$42,139,493	\$42,139,493	\$42,139,493
Revenue from State Grants	\$99,252,143	\$117,031,351	\$145,873,041
Revenue from Federal Grants	\$4,611,510	\$1,862,537	\$4,131,331
Unexpended Reserves	\$24,238,461	\$45,342,163	\$42,471,065
All Other Capital Resources	\$77,164,436	\$77,164,436	\$77,164,436
Total Resources	\$225,243,891	\$225,243,891	\$225,243,891
Personal Services	\$57,243,891	\$57,243,891	\$57,243,891
Salaries & Benefits	\$70,186,182	\$70,186,182	\$70,186,182
Financial Aid	\$4,611,510	\$4,611,510	\$4,611,510
Capital Outlay	\$11,331,124	\$11,331,124	\$11,331,124
Debt Service	\$4,411,124	\$4,411,124	\$4,411,124
Unexpended Reserves	\$0	\$0	\$0
Unexpended Reserves - Fund Balance & Reserve	\$225,243,891	\$225,243,891	\$225,243,891
FINANCIAL SUMMARY - REQUIREMENTS AND ALL-TIME CUMULATIVE EXPENDITURES	\$225,243,891	\$225,243,891	\$225,243,891
Instruction	\$225,243,891	\$225,243,891	\$225,243,891
Instructional Support	\$225,243,891	\$225,243,891	\$225,243,891
Student Services other than Student Loans and Financial Aid	\$225,243,891	\$225,243,891	\$225,243,891
Student Loans and Financial Aid	\$225,243,891	\$225,243,891	\$225,243,891
Community Services	\$225,243,891	\$225,243,891	\$225,243,891
Support Services other than Facilities Acquisition and Construction	\$225,243,891	\$225,243,891	\$225,243,891
Facilities Acquisition and Construction	\$225,243,891	\$225,243,891	\$225,243,891
Interest on Debt	\$225,243,891	\$225,243,891	\$225,243,891
Operating Expenses	\$225,243,891	\$225,243,891	\$225,243,891
Unexpended Reserves - Fund Balance and Reserve	\$225,243,891	\$225,243,891	\$225,243,891
TOTAL	\$225,243,891	\$225,243,891	\$225,243,891
STATEMENT OF CHANGES IN ACTIVITIES AND SOURCES OF FINANCING	\$225,243,891	\$225,243,891	\$225,243,891
PROPERTY TAX REVENUE	\$225,243,891	\$225,243,891	\$225,243,891
Revenue	\$225,243,891	\$225,243,891	\$225,243,891
Expenses	\$225,243,891	\$225,243,891	\$225,243,891
Net Change	\$225,243,891	\$225,243,891	\$225,243,891
Unexpended Reserves - Fund Balance and Reserve	\$225,243,891	\$225,243,891	\$225,243,891

Glossary of Terms

Accrual Basis Accounting: A system of accounting based on the accrual principal under which revenue is recognized when earned and expenses are recognized when incurred.

Ad Valorem Tax: A property tax computed as a percentage of the value of taxable property.

Administrative Contingency: General Fund contingency consisting of approximately one percent of budgeted revenues to be used at the discretion of the president and Executive Team.

Administrative Recovery: Revenue generated from college enterprise funds, grants and contracts to cover General Fund administrative and overhead costs.

Adopted Budget: The total spending level for the year based on estimates that have been set by the Board of Education.

Appropriation: Based on the adopted budget an authorization from the Board of Education to make expenditures and incur obligations for specific purposes. The appropriation is limited to a single fiscal year.

Approved Budget: The budget that has been approved by the Budget Committee and sent to the Board of Education for adoption.

Assessed Value: Valuation set on real estate or personal property by the Property Appraiser as a basis for levying taxes.

Balanced Budget: A budget whereby operating expenditures equal resources in every fund.

Beginning Fund Balance: The amount remaining after accounting for the previous year's revenues less the previous year's expenditures.

Biennium: A two-year [budget] period.

Board Contingency: General Fund contingency consisting of approximately one-half percent of budgeted revenues to be used at the discretion of the Board of Education.

Board of Education: Committee of seven elected unpaid citizens whose primary authority is to establish policies governing the operation of the college and to adopt the college budget.

Bond: A debt investment with which the investor loans money to an entity (company or government) that borrows the funds for a defined period of time at a specified interest rate.

Budget: A written report showing the local government's comprehensive financial plan for one fiscal year. The report includes a balanced statement of actual revenues and expenditures during each of the last two years and estimated revenues and expenditures for the current and upcoming year.

Budget Committee: The fiscal planning board consisting of the Board of Education plus an equal number of citizens at large from the College District.

Budget Message: An explanation of the budget and financial priorities presented in writing by the Budget Officer as part of the budget document.

Budget Officer: Person appointed by the Board of Education to oversee the budget process.

Budget Transfer: Amounts moved from one fund to finance activities in another fund. They are shown as expenditures in the originating fund and revenues in the receiving fund.

Capital Assets Replacement Plan: Revolving seven year plan established by the Board of Education in fiscal year 2004 to schedule the replacement of capital assets based upon the Capital Asset Acquisition Schedule.

Capital Expenditure: An expenditure for a single item with cost exceeding \$10,000 and an estimated useful life of three or more years.

Capital Outlay: An expenditure category that includes acquisition of land, buildings, improvements, machinery and equipment.

Capital Projects Fund (IV): Budget fund used for the acquisition of land, new construction, major remodeling projects and major equipment purchases.

Capital Reserve Fund: A separate fund within the Capital Projects Fund IV used for planned and unplanned maintenance, repair and replacement of capital and technological equipment.

Cash Basis: System of accounting under which revenues are accounted for only when received in cash and expenditures are accounted for only when paid.

College Council: The College's main planning and policy body.

College District: The College's service area which encompasses a 5,000 square mile area in Lane County and parts of Linn, Douglas and Benton Counties.

College Support Services: Expense function covering activities that support the ongoing operations of the college excluding physical plant operations.

Community Services: Expense function covering non-instructional activities provided to external groups.

Consumer Price Index: A measure estimating the average price of consumer goods and services purchased by households.

Current Budget: In financial tables, the "Current Budget" is the current year adopted budget plus any additional supplemental budgets.

Debt Service: An expenditure category for repayment of principle and interest on bonds, interest-bearing warrants and short-term loans.

Debt Service Fund (III): Budget fund for accounting for general long-term debt, principal and interest.

Deferred Maintenance: The practice of postponing maintenance activities such as repairs on both real property (i.e. infrastructure) and personal property (i.e. machinery) in order to save costs, meet budget funding levels or realign available budget monies.

Differential Pricing: Additional fees based on class clock hours for certain Career and Technical courses.

Ending Fund Balance: The beginning fund balance plus current year revenues less current year expenditures.

Enterprise Fund (VI): Budget fund for activities that furnish goods or services to students, staff or the public, for which charges or fees are assessed that are directly related to the cost of the good or service provided.

Executive Team: The College's administrative leadership team comprised of the president, vice president(s), chief officers and deans.

Expenditure: An amount of money, cash or checks, actually paid or obligated for payment due to the purchase of goods and services, the payment of salaries and benefits and the payment of debt service.

Fees (Non-Instructional): Revenue generated from assessing students for non-instructional expenses.

Financial Aid: Expense function for student loans, grants and stipends.

Financial Aid Fund (V): Budget fund used for the provision of grants, stipends and other aid to enrolled students.

Fiscal Year: The twelve-month financial period used by the college that begins July 1 and ends June 30.

Full-Time Equivalent (FTE): The equivalent of a full-time employee or student. For example; two half-time employees equal one FTE employee.

Fund: A division in the budget segregating independent fiscal and accounting requirements.

Fund Balance: The excess of a fund's revenues over expenditures.

Fund Type: One of nine fund types: General, special revenue, debt service, capital projects, special assessment, enterprise, internal service, trust and reserve.

General Fund (I): The primary operating fund of the college that includes activities directly related to the college's basic educational objectives.

Generally Accepted Accounting Principles (GAAP): A widely accepted set of rules, conventions, standards and procedures for reporting financial information as established by the Financial Accounting Standards Board.

Government Finance Officers Association (GFOA): The professional association of state/provincial and local finance officers in the United States and Canada.

Governmental Funds: Funds generally used to account for tax-supported activities. There are five different types of governmental funds. LCC's governmental funds include the General, Special Revenue, Debt Service and Capital Projects Funds.

Grant: A donation or contribution in cash by one governmental unit to another unit which may be made to support a specified purpose or function or general purpose.

Higher Education Price Index (HEPI): Inflation index designed specifically for higher education. A more accurate economic indicator for colleges and universities than the Consumer Price Index.

Instruction: Expense function covering all activities related to instructional programs.

Instructional Fees: Revenue generated by assessing students for course-related expenses.

Instructional Support: Expense function covering activities that provide integral support services to instructional programs.

Interest Income: Revenue generated from investment of operating capital in excess of daily requirements.

Interfund Transfer: An amount to be given as a resource to another fund in the budget.

Intergovernmental [Resource]: Total public resources that include State and Federal funds and local property taxes.

Internal Service Fund (II): Budget fund for functions that exist primarily to provide goods and services to other instructional and administrative units of the college.

Local Option Tax: Voter-approved taxing authority that is in addition to the taxes generated by the permanent tax rate. Local option taxes can be for general operations, a specific purpose or capital projects. It is limited to five years unless it is for a capital project, then it is limited to the useful life of the project or 10 years whichever is less.

Mandatory Adjustments: Adjustments for expenditures that are primarily beyond the control of the college such as facilities leases, utilities, insurance premiums and maintenance contracts.

Material and Services (M&S): An expenditure category that includes contractual and other services, materials, supplies and other charges.

Measure 5: A constitutional amendment (Art. XI, section 11b) passed in 1990 that limits the amount of operating tax that can be imposed on a property to \$5 per \$1,000 of real market value for education and \$10 per \$1,000 for general government.

Measure 50: A constitutional amendment (Art. XI, section 11) passed in 1997 that limits the growth in a property's assessed value to 3% per year. It also limits a local government's taxing authority by creating permanent rate limits.

Modified Accrual Basis: Basis of accounting under which revenues are recorded when they become measurable and available. Expenditures are recorded when the liability is incurred, except for interest on general long-term obligations, which is recorded when due.

Net Working Capital: The sum of the cash balance accounts receivable expected to be realized during the ensuing year, inventories, supplies, prepaid expenses less current liabilities and, if encumbrance method of accounting is used, reserve for encumbrances.

Non-Recurring Resources: Resources (revenues) that are not part of an annual revenue stream to include: fund balances, reserves, one-time grants and awards and special allocations.

Object Classification: A grouping of expenditures such as personal services, materials and services, capital outlay, debt services and other types of requirements.

Operating Rate: The rate determined by dividing the local government's operating tax amount by the estimated assessed value of the local government. This rate is needed when a local government wants to impose less tax than its permanent rate will raise.

Oregon Administrative Rules (OAR): A compilation of rules and regulations that apply in the same manner as a law to state agencies in Oregon.

Oregon Public Employees Retirement System (PERS): Retirement system provided by the State of Oregon for all public employees.

Oregon Revised Statutes (ORS): The codified laws of the State of Oregon. The ORS is published every two years to incorporate each legislative session's new laws.

Other Payroll Expenses (OPE): An expense classification that includes the costs of payroll taxes, PERS, medical insurance and other fringe benefits and payroll-related items accruing to an employee.

Other Resources: Revenue generated from various activities such as finance charges, sale of equipment, enforcement fees and other nominal, one-time miscellaneous amounts.

Personnel Services Expenses: Expenses related to the compensation of employees such as health and accident insurance premiums, Social Security and retirement contributions and civil service assessments.

Plant Additions: Expense function for land, land improvement, buildings and major remodeling and renovation that is not a part of normal plant operation and maintenance.

Plant Operations and Maintenance: Expense function covering the operation and maintenance of the physical plant including grounds, facilities, utilities and property insurance.

Proposed Budget: Financial and operating plan prepared by the Budget Officer and submitted to the public and Budget Committee for review.

Requirement: A use of funds or expenditure.

Resolution: An order of the Board of Education.

Resources: Estimated beginning fund balances on hand plus all anticipated revenues and transfers.

Revenue: Monies received or anticipated.

Salary Provision Budget: A contingency budget used to cover employee compensation increases during the year.

Sale of Goods and Services: Revenue generated from the college's enterprise and special revenue activities.

Special Revenue Fund (VIII): Budget fund that accounts for revenues that are legally restricted to expenditures for specific purposes such as federal grants and contracts.

Special Revenue – Administratively Restricted Fund (IX): Budget fund for programs where monies are administratively restricted. Activities recorded in this fund generate revenue primarily through specifically-assessed tuition and fees or through other revenue-generating activities.

Stabilization Reserve Fund: A separate fund established at the request of the Board of Education for the purpose of providing short-term stabilization in anticipation of possible shortfalls in revenue.

Student Services: Expense function covering activities to support students' success and development.

Supplemental Budget: Most often required when new appropriation authority is needed, a supplemental budget is usually associated with the expenditure of new appropriations and increased revenues. It cannot be used to authorize a tax.

Tax Rate: The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property.

Tax Year: The fiscal year from July 1 through June 30.

Total Public Resources: Revenue received from State funding as appropriated by the legislature and local property taxes as assessed by the counties.

Transfers Out: An expenditure category that includes resource funding for specific purposes.

Tuition: Revenue generated by assessing students per-credit-hour rates.

Unappropriated Ending Fund Balance (UEFB): Amount set aside in the budget to be carried over to the next year's budget. It provides the local government with cash until tax money or other revenues are received later in the year. This amount cannot be transferred by resolution or used through a supplemental budget unless necessitated by a qualifying emergency.

Unfunded Actuarial Liability (UAL): Amount PERS has determined to be owed by participating governments to fully fund the retirement system.

Unit Plan: Unit plans serve to provide details on the Strategic Plan at the unit level in the development of short and long-term plans for the college.

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